

City Clerk File No. Ord. 14.022
Agenda No. 3.A 1st Reading
Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.022

TITLE: ORDINANCE OF THE CITY OF JERSEY CITY, COUNTY OF HUDSON, NEW JERSEY, CANCELLING CERTAIN FUNDED APPROPRIATION BALANCES HERETOFORE PROVIDED FOR CAPITAL PROJECTS AND RE-APPROPRIATING SUCH FUNDED APPROPRIATION BALANCES FOR OTHER CAPITAL PROJECTS

WHEREAS, the Municipal Council of the City of Jersey City, County of Hudson, New Jersey ("City") has heretofore duly and finally adopted City Ordinance 08-148 ("Ordinance") authorizing the appropriation of \$41,925,000 of City funds to pay for the costs of various capital improvements to be completed in and for the City, including the acquisition of various pieces of capital equipment (collectively, the "Improvements"), and to finance the costs of such Improvements through the issuance of bonds or bond anticipation notes in an amount not to exceed \$39,928,555, all in accordance with the New Jersey Local Bond Law (N.J.S.A. 40A:2-1 *et seq.*) ("Local Bond Law"), and all as more particularly set forth in the Ordinance; and

WHEREAS, on March 10, 2009, the City issued its Qualified General Obligation Bonds in the aggregate principal amount of \$39,928,000 ("Bonds") to finance the costs of the Improvements; and

WHEREAS, the City has completed construction of the Improvements and has determined that the costs of the certain of the Improvements authorized by Section 3(a)(2) of the Ordinance (including the reconstruction, rehabilitation, improvement and repair of various public buildings owned and used by the City) will be less than was originally contemplated and authorized by said Ordinance; and

WHEREAS, it is the desire of the City to permanently cancel a portion of the appropriation balance authorized by Section 3(a)(2) of the Ordinance funded with a portion of the proceeds of the Bonds not necessary to fund the costs of said Improvements in the amount of \$1,437,180 and to re-appropriate such funded appropriation balance for other capital purposes.

NOW, THEREFORE, BE IT ORDAINED BY THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY, COUNTY OF HUDSON, NEW JERSEY (NOT LESS THAN TWO-THIRDS OF THE MEMBERS THEREOF AFFIRMATIVELY CONCURRING), AS FOLLOWS:

Section 1. The following appropriation remaining as a funded balance in Section 3(a)(2) of Ordinance is hereby cancelled:

Ordinance Section	Amount of Funded Appropriation to be Cancelled	Original Improvements
3(a)(2)	\$1,437,180	Reconstruction, rehabilitation, improvement and repair of various public buildings owned and used by the City

Section 2. The sum of \$1,437,180, which represents the funded appropriation cancelled in Section 1 hereof, is hereby re-appropriated from the Ordinance for the purpose of the completion of improvements to and acquisition of capital equipment for various City owned parks, together with the acquisition of all materials and equipment and completion of all work necessary therefor or related thereto, and as more particularly described in the plans on file with the City Department of Business Administration.

Section 3. The remaining funded appropriation balances as authorized by the Ordinance shall be unaffected by this ordinance and shall remain available for the uses set forth therein.

Section 4. The average period of usefulness of the purpose referred to in Section 2 hereof, is within the limitations of the Local Bond Law and, according to the reasonable life thereof, is not less than 15 years.

Section 5. The Capital Budget is hereby amended to conform with the provisions of this ordinance to the extent of any inconsistency therewith, and the resolution promulgated by the Local Finance Board showing full detail of the amended Capital Budget and Capital Program as approved by the Director of the Division of Local Government Services, is on file with the City Clerk and available for inspection.

Section 6. The improvements authorized hereby are not current expenses and are general improvements that the City may lawfully make. No part of the cost of the improvements authorized hereby has been or shall be specially assessed on any property specially benefited thereby.

Section 7. All ordinances, or parts of ordinances, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 7. This ordinance shall take effect twenty (20) days after the first publication thereof after final passage.

APPROVED AS TO LEGAL FORM

Corporation Counsel

Certification Required ☐
Not Required ☐

APPROVED: _____

APPROVED: _____

Business Administrator

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

**ORDINANCE OF THE CITY OF JERSEY CITY, COUNTY OF HUDSON, NEW JERSEY,
CANCELLING CERTAIN FUNDED APPROPRIATION BALANCES HERETOFORE PROVIDED
FOR CAPITAL PROJECTS AND RE-APPROPRIATING SUCH FUNDED APPROPRIATION
BALANCES FOR OTHER CAPITAL PROJECTS**

Initiator

Department/Division	Administration	Management & Budget
Name/Title	Donna Mauer	Chief Financial Officer
Phone/email	201-547-5042	DonnaM@jenj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

To cancel unspent proceeds of \$1,437,180 from a 2008 bond ordinance and re-appropriate these funds for the improvements to and acquisition of capital equipment for Berry Lane Park.

I certify that all the facts presented herein are accurate.

Donna Mauer
Signature of Department Director

2/18/14
Date

Statement to be Published with Ordinance After Introduction.

The bond ordinance published herewith was introduced and passed upon first reading at a meeting of the Municipal Council of the City of Jersey City, in the County of Hudson, State of New Jersey, on February 26, 2014. It will be further considered for final passage, after public hearing thereon, at a meeting of the Municipal Council to be held at City Hall, 280 Grove Street, Jersey City, New Jersey 07302 on _____, 2014 at _____M. During the week prior to and up to and including the date of such meeting copies of the full ordinance will be available at no cost and during regular business hours, at the Municipal Clerk's office for the members of the general public who shall request the same.

ROBERT BYRNE, RMC, Municipal Clerk

Statement to be Published with Ordinance After Final Adoption.

STATEMENT

The ordinance published herewith has been finally adopted on _____, 2014 and the twenty (20) day period of limitation within which a suit, action or proceeding questioning the validity of such ordinance can be commenced, as provided by applicable law, has begun to run from the date of the first publication of this statement.

ROBERT BYRNE, RMC, Municipal Clerk

City Clerk File No. Ord. 14.023

Agenda No. 3.B 1st Reading

Agenda No. 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.023

TITLE:

**ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY
ADOPTING AMENDMENTS TO THE MONTGOMERY STREET REDEVELOPMENT PLAN
TO REORGANIZE CONTENT AND CREATE A MIXED USE DISTRICT**

WHEREAS, the Municipal Council of the City of Jersey City adopted the Montgomery Street Redevelopment Plan in August of 1976, and amended the Plan numerous times subsequently, most recently on November 23, 2010; and

WHEREAS, the existing Plan is outdated and disorganized, and reorganizing it makes it more usable; and

WHEREAS, an existing strip mall in the Area is poorly maintained and underdeveloped, making a new Mixed Use District an ideal way to encourage development by increasing the permitted height and uses; and


WHEREAS, the Planning Board, at its meeting of January 28, 2014, determined that the Montgomery Street Redevelopment Plan should be amended to create a Mixed Use zone and reorganize the overall content; and

WHEREAS, a copy of the Planning Board's recommended amendments to the Montgomery Street Redevelopment Plan is attached hereto, and made a part hereof, and is available for public inspection at the office of the City Clerk, City Hall, 280 Grove Street, Jersey City, NJ;

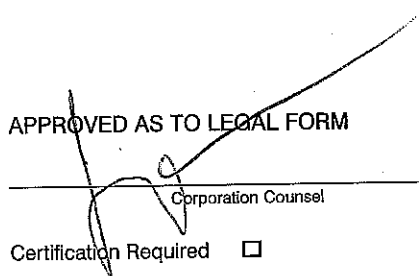
NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that the aforementioned amendments to the Morris Canal Redevelopment Plan be, and hereby are, adopted.

BE IT FURTHER ORDAINED THAT:

- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be a part of the Jersey City Code as though codified and set forth fully herein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect at the time and in the manner as provided by law.
- D. The City Clerk and the Corporation Council be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible repealers of existing provisions.
- E. The City Planning Division is hereby directed to give notice at least ten days prior to the hearing on the adoption of this Ordinance to the Hudson County Planning board and to all other persons entitled thereto pursuant to N.J.S. 40:55D-15 and N.J.S. 40:55D-63 (if required). Upon the adoption of this Ordinance after public hearing thereon, the City Clerk is directed to publish notice of the passage thereof and to file a copy of the Ordinance as finally adopted with the Hudson County Planning Board as required by N.J.S. 40:55D-16. The clerk shall also forthwith transmit a copy of this Ordinance after final passage to the Municipal Tax Assessor as required by N.J.S. 40:49-2.1.


Robert D. Cotter, PP, FAICP
Director, Division of City Planning

APPROVED AS TO LEGAL FORM


Corporation Counsel

Certification Required ☐

Not Required ☐

APPROVED: 

APPROVED: 

Business Administrator

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

**ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING
AMENDMENTS TO THE MONTGOMERY STREET REDEVELOPMENT PLAN TO REORGANIZE
CONTENT AND CREATE A MIXED USE DISTRICT**

Initiator

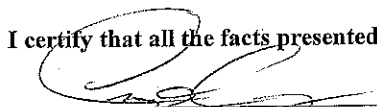
Department/Division	HEDC	City Planning
Name/Title	Robert Cotter, PP, AICP	Director
Phone/email	201-547-5010	bobbyc@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

The proposed amendments will reorganize the currently outdated plan, and create a new Mixed Use district with an increased number of permitted uses and increased height limits to enable the redevelopment of a presently underutilized and poorly maintained strip mall.

I certify that all the facts presented herein are accurate.

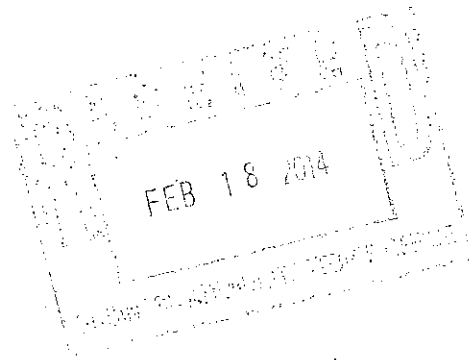

Signature of Department Director

2/11/14
Date

Summary Sheet:

**ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY
ADOPTING AMENDMENTS TO THE MONTGOMERY STREET REDEVELOPMENT
PLAN TO REORGANIZE CONTENT AND CREATE A MIXED USE DISTRICT**

The proposed amendments will reorganize the currently outdated plan, and create a new Mixed Use district with an increased number of permitted uses and increased height limits to enable the redevelopment of a presently underutilized and poorly maintained strip mall.



Department of Housing, Economic Development & Commerce
Division of City Planning



Inter-Office Memorandum

DATE: February 11, 2014
TO: Council President Lavarro, Anthony Cruz, Bob Cotter
FROM: Kristin J. Russell, PP, AICP
SUBJECT: Montgomery Street Redevelopment Plan amendment

The Montgomery St. Redevelopment Plan was originally written in 1976. Unsurprisingly, since that time much has changed.

The intent of this amendment is twofold.

First, and most simply, the Plan is being revised to provide more legible maps, to better organize the content, and to strike language that is dated. These changes are administrative in nature.

Second, the Plan is being revised to add a Mixed Use zone. The area that is being zoned Mixed Use is an existing strip mall and mosque that is presently under-maintained. The owners of this parcel would like to demolish the existing structures and rebuild up to 6 stories. This zone will permit houses of worship (a rebuilt mosque is intended), street-level retail, enclosed parking, and residential above.

It is our belief that this site is sorely in need of attention and improving upon it will help the surrounding areas as well.

MONTGOMERY STREET REDEVELOPMENT PLAN

AUGUST, 1976

FEBRUARY, 1978

JUNE, 1979

SEPTEMBER, 1982

AUGUST, 1983

OCTOBER, 1986

NOVEMBER 15, 1999

Council Ordinance # 00-105 SEPTEMBER 18, 2000

Council Ordinance # 10-155 NOVEMBER 23, 2010

Proposed 1/28/14

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OFFICIAL EXHIBITS TO THE REDEVELOPMENT PLAN

Yard Map, Residential Area	October, 1986	i.
Boundary Map, U.R.P. Map No. 1	August, 1973	i.
Zoning Land Use Map, U.R.P. Map No. 2	November 1999	ii.
Land Acquisition Map, U.R.P. Map No. 3	August, 1973	iv.
<i>Areas in Need of Rehabilitation Map</i>	<i>January 28, 2014</i>	<i>iii.</i>

B. DESCRIPTION OF PROJECT

1. Boundaries of ~~Urban Renewal~~ *Redevelopment Plan* Area

The boundaries of the Montgomery Street ~~Urban Renewal~~ *Redevelopment Plan* Area are shown on the Boundary Map, U.R. P. Map No. 1, dated August 1973 and are described as follows:

BEGINNING at the intersection of the northern right-of-way line of Railroad Avenue and the western boundary of the New Jersey Turnpike Extension; thence in a southerly direction along the western boundary of the New Jersey Turnpike Extension to the southern right-of-way line of Grand Street; thence in a south-westerly direction along the southern right-of-way line of Grand Street to the southern right-of-way of Fairmount Avenue; thence in a westerly direction along the southern right-of-way line of Fairmount Avenue to the western right-of-way line of Cornelison Avenue; thence in a northerly direction along the western right-of-way line of Cornelison Avenue to the northern right-of-way line of Bright Street; thence in an easterly direction along the northern right-of-way line of Bright Street to the western right-of-way line of Florence Street; thence in a northerly direction along the western right-of-way line of Florence Street to the southern right-of-way line of Montgomery Street; thence in a westerly direction along the southern right-of-way line of Montgomery Street to the western right-of-way line of Cornelison Avenue; thence in a northerly direction along the western right-of-way line of Cornelison Avenue to the northern right-of-way line of Academy Street; thence in an easterly direction along the northern right-of-way line of Academy Street and Railroad Avenue to the POINT AND PLACE OF BEGINNING.

Within the above described area lies an area excluded from the Montgomery Street urban Renewal Area, which is described as follows as follows: BEGINNING at the intersection of the eastern right-of-way line of Fremont Street, and the southern right-of-way line of Bright Street; thence in an easterly direction along the southern right-of-way line of Bright Street to the western property line of the National Docks Railway; thence in a southeasterly direction along the western property line of the National Docks Railway to the northern right-of-way line of Colden Street; thence on various courses along the northern direction along the eastern right-of-way line of Fremont Street to the POINT AND PLACE OF BEGINNING.

2. ~~Urban Renewal~~ Plan Objectives

The objectives of the ~~Urban Renewal~~ Plan are:

- a. To remove substandard buildings and eliminate blighting influences.
- b. To provide conveniently located neighborhood shopping and recreation facilities.

- c. To provide land for a high school athletic field to serve both Ferris High School and the general public in the area bordered by the New Jersey Turnpike on the east and the National Dock Railroad on the west, Bright Street as the northern boundary with Grand Street to serve as its southern boundary.
- d. To provide industrial sites of sufficient size to handle the expansion needs of existing industries to be relocated from the project area.
- e. To provide for the development of low-density housing in a coordinated manner.
- f. To eliminate as many railroad underpasses as possible because of the lack of sufficient clearance for many motor vehicles.
- g. To eliminate obsolete street patterns throughout the area and to discourage unrelated traffic in residential areas.
- h. To provide for the separation of sanitary and storm sewers, as possible, throughout the project area.
- i. To coordinate the development of industrial uses compatible with existing public housing projects in the area.
- j. To maintain, upgrade and improve environment adjacent to Public Housing.
- k. To prevent to extent possible adverse flooding effects up to the 50 year storm.

3. Types of Proposed Renewal Actions

The proposed renewal actions for other project area include the clearance and redevelopment of all properties in the project area with the exception of some of the railroad trackage holdings of Conrail and the power station of Public Service Electric and Gas Company, and Jersey City Redevelopment Agency, Parcel #7-4 **Block 12601, Lot 3** (fka City Block 2127, Plot A). Streets will be widened and repaved as necessary. The combined sanitary and storm sewer system will be separated where possible. Active recreation facilities will be provided to serve the needs of project area residents and

nearby Ferris High School.

C. LAND USE PLAN

1. Land Use Map

The Land Use Map, ~~U.R.P. Map No. 2, dated September, 1982~~ shows the following:

- a. Thoroughfare and street rights-of-way
- b. Other public uses and easements.
- c. Commercial & *Industrial* uses.
- d. ~~Industrial~~ Mixed uses.
- e. Residential uses.
- f. ~~Railroad uses.~~
- g. Interim Uses
- h. Educational Uses

2. Land Use Provisions and Building Requirements

Access by the elderly, physically handicapped and/or disabled will be encouraged. Design standards will meet or exceed Federal regulations.

- a. Uses to be permitted in the project area within each of the reuses areas are as follows:

- 1) ~~Public~~ *Education*: The permitted uses shall be Public Schools athletic facilities, and the neighborhood centers containing facilities for recreation, health and education and accessory uses customarily incidental thereto including enclosed and open parking and outdoor recreational structures. Additionally, public utilities shall be permitted, with the express prohibition of natural gas transmission lines.
- 2) Easements: The permitted uses of easements shall be utility lines, except natural gas transmission lines, and intensive planting areas for screening. Utility easements may lie under paved parking areas, while the planting easements, located along the railroad, shall be utilized for planting purposes only. Planting easements shall be owned and maintained by the owners of the parcels adjoining the railroad as shown on the Land Use Map.
- 3) Commercial: The permitted uses shall be commercial uses and retail sales ~~designed to serve the immediate neighborhood including drug stores, supermarkets, delicatessens, bakeries, dairies, hardware stores, stationery stores, record shops, gift shops, junior department stores, furniture stores, appliance stores, and~~

restaurants *Category 1 and 2*, sandwich shops, and; office *and medical office* uses above the first floor *only*. Additionally, public utilities shall be permitted, with the express prohibition of natural gas transmission lines.

4) Industrial: The permitted uses shall be as follows:

- a) Offices
- b) Light industry ~~where the only activity involved is one of the fabricating or the assembling of standardized parts as contrasted to a processing activity which would involve a physical or chemical process which would change the nature or character of the product or raw material.~~
- c) Scientific or research laboratories devoted to research, design or experimentation, and processing and fabricating incidental thereto, provided that no materials or finished products shall be manufactured, processed or fabricated on said premises for sale, except such as are incidental to said laboratory activities or are otherwise permitted in this district.
- d) The wholesaling of goods or services, including the warehousing or storage of goods, provided such activities and inventories are conducted entirely within an enclosed structure or are conducted in open yard areas which are adequately screened from view from adjacent lots or roads.
- e) Laundry, cleaning and dyeing work, and carpet and rug cleaning.
- f) Commercial bakeries.
- g) Public utility structures, except natural gas transmission lines which shall be prohibited.
- h) Accessory uses customarily incidental to the above uses, including enclosed and open parking.

5) Residential: The permitted uses shall be:

- a) detached and attached townhouses and ~~garden~~ apartments with uses customarily incidental thereto, including enclosed and open parking space and recreation areas. Home Occupations, as defined and delineated by the Jersey City Ordinance, Article II, Section 201 shall be permitted as an *Accessory Conditional Use*. ~~For the purposes of this ordinance Home Occupations are limited to physicians, lawyers, registered architect, and licensed engineers, planners and land surveyors, who are owner-occupants of the residential structure containing said Home Occupation. However, within this district, Home Occupations must be~~

conducted entirely within the principal structure. The Planning Board may deny approval of a Home Occupation if there will be an over concentration of such uses within the district. Considerations of traffic, parking and safety shall be among the deciding factors in such approval or denial. Provided, however, that not more than two (2) such Home Occupations may be located on any one (1) block front, nor no more than three (3) such uses may be located on any one (1) tax block. In no event shall the number of such uses exceed eight (8) within the Residential District.

- b) Houses of Worship and uses customarily incidental thereto including accessory neighborhood community center services.
 - c) Public utilities, except natural gas transmission lines shall be prohibited.
- 6) Railroad: The permitted use shall be railroad track and roadbed. Additionally, public utilities shall be permitted, with the express prohibition of natural gas transmission lines.

Mixed Use:

- a) *Above the street level along all frontages, and at street level along Florence Street only, apartments with uses customarily incidental thereto, including enclosed parking spaces and recreation areas. Home Occupations, as defined and delineated by the Jersey City Ordinance shall be permitted as an Accessory Use. Home Occupations must be conducted entirely within the principal structure.*
 - b) *Houses of Worship and uses customarily incidental thereto including accessory neighborhood community center services.*
 - c) *Street level retail sales and services, office and medical office uses.*
 - d) *Public utilities, except natural gas transmission lines shall be prohibited.*
- 7) Interim Uses: Interim uses may be established, subject to agreement by the developers with the Planning Board, that such uses will not have an adverse affect upon assisting or contemplated development during the interim use period. Interim uses must be approved by the Planning Board which may establish an interim use period of up to three (3) years duration. Additional renewals of an interim use may be granted by the Planning Board.
- 8) Educational: Permitted uses shall be K-12 schools and accessory

uses customarily incidental thereto including enclosed and open parking and outdoor recreational facilities.

- b. Additional regulations, controls or restrictions to be imposed within each of the reuse areas are as follows:

1) **Public Education:**

- a) Planning and Design Objectives: The new public uses include a high school athletic field at the corner of Bright and the new Merseles Street, and a County Vocational School on Montgomery Street. The High School athletic field is to functionally relate to the high school built north of Montgomery Street and east of the Project Area. The design objective in this case, and in the case of the County Vocational School is to provide a facility which will present an aesthetically pleasing approach to the project area as seen from Montgomery Street, and to provide recreational opportunities for the new residents of the area.
- b) **Minimum lot size: 70,000 sf**
- c) Yard Requirements: Front, side and rear yards shall not be less than fifteen (15) feet.
- d) ~~Land~~ **Building** Coverage: The maximum amount of land covered by buildings shall not exceed ~~twenty-five (25)~~ **forty (40%)** percent.
- e) **Outdoor recreational space must cover more than 20% of lot area, of which 60% may be paved.**
- f) Density: Density controls are not applicable to this use.
- g) Building Height: ~~The maximum building height shall be forty (40) feet.~~ **Building height shall not exceed 75 feet inclusive of rooftop mechanical space.**
- h) Access to Housing Units: Not applicable to this use.
- i) Off-Street Parking: There shall be provided a minimum of one (1) off-street parking space for each four hundred (400) square feet of floor area **or 35 spaces, whichever is greater.** No off-street parking shall be required on the site of the high school athletic field.
- j) Off-Street Loading: No loading or unloading shall take place from a street.
- k) Landscaping: A minimum of twenty (20) percent of the lot area shall be landscaped. All areas not used for the athletic field or for the building, parking areas, or access drives shall be landscaped. **All parking areas shall have a landscaped buffer not less than 8 feet in width from the property line to shield view of parked cars from public areas. At the corner of Grand and Prior Street, an eight**

foot buffer may be substituted with a four foot wide landscaped strip with a six foot high and 16 foot wide brick wall behind the landscaping for signage purposes shielding the parking lot from Grand Street. All areas not used for parking, traffic or pedestrian circulation, building structure, or outdoor recreation must be landscaped with trees, shrubs, and ground cover. All sidewalk and internal pedestrian circulation pavement must be of brick. A decorative cornice shall be provided at the roof line.

- l) Design guidelines: All buildings must be primarily masonry. Forty five percent of the building façade must be of brick. A decorative cornice shall be provided at the roof line. No EIFS shall be permitted as a primary building material; it may be used as a decorative element. Outdoor trash dumpsters must be housed in a brick structure, covered by a roof with an attractive screened gate or door.*
- m) Mechanical requirements: All mechanicals shall be placed either within the principal structure or on the roof thereof. All rooftop mechanicals shall be screened in a manner complementary to the style of the building. No mechanicals shall be housed within an accessory structure.*
- n) Signage: No freestanding signs are permitted. All billboards are prohibited. Two (2) signs shall be permitted, not to exceed a total of 5% of the side of the building upon which the sign is attached or a brick monument sign permitted in lieu of four feet of landscaped buffer shall be permitted as in the section above.*
- o) Fencing: At the property lines that faces the public ROW, steel or wrought iron type picket fencing only is permitted. Five (5) feet maximum height permitted along Grand Street, six (6) feet maximum height permitted elsewhere.*

2) Commercial:

- a) Planning Design Objectives: To provide a conveniently located neighborhood shopping center oriented to the needs of the residents of the project area as well as persons traveling to the center on Grand Street.
- b) Yard Requirements: No building shall be closer than ten (10) feet to the nearest property line.
- c) ~~Land~~ **Building** Coverage: The maximum amount of land covered by buildings shall not exceed thirty-five (35) percent.

- d) Density: Not applicable to this use.
- e) Building Height: The maximum height shall be forty (40) feet.
- f) Access to Housing Units: Not applicable to this use.
- g) Off-Street Parking: There shall be provided a minimum of one (1) parking space for each three hundred (300) square feet of building area.
- h) Off-Street Loading: One off-street loading space shall be provided for the first 10,000 square feet and for each additional 20,000 square feet or part thereafter.
- i) Landscaping: A minimum of fifteen (15) percent of the lot area shall be landscaped. All areas not developed for building or access drives or parking area shall be landscaped.

3) Residential-A and Residential-*B*

- a) Planning and Design Objectives: The objective is to provide low density housing, both private and public, in an area that will offer protection from excessive vehicular traffic, open space, recreation and neighborhood commercial facilities within walking distance of primary and secondary schools and the city's major hospital.
- b) Permitted Residential Uses:
 - i. Detached one, two, or three family sales housing.
 - ii. Row houses, garden apartments or townhouses type rental housing.
 - iii. Recreation and open space.
 - iv. Houses of Worship provided their lot includes greater than 50 feet of frontage on Montgomery Street.
- c) Requirements for *Residential-A* all uses listed above in Section C.b.(3)(b); (excludes Residential-A)
 - i. Yard Requirements: Front yards shall have a minimum depth of zero (0) feet. Rear yards shall have a minimum depth of ten (10) feet. Side yards shall have a minimum depth of zero (0) feet.
 - ii. Density: Maximum density shall not exceed forty (40) units per acre.
 - iii. Building Height: The maximum building height shall not exceed four (4) stories or forty (40) feet.
 - iv. Off-Street Parking: All residential uses shall provide a minimum of one-half (0.5) stalls per dwelling unit.
 - v. Landscaping: A minimum of twenty-five (25)

percent of the residential lot area shall be landscaped.

- vi. Lot Size: Minimum lot width shall be fourteen (14) feet. Minimum lot depth shall be fifty (50) feet. Minimum lot area shall be seven hundred (700) square feet.

d) ***Requirements for Residential-B***

- i. Yard Requirements (~~see map immediately following~~): Front yards, except for lots having frontages facing Merseles Street, shall have a minimum depth of ten (10) feet; front yards for lots having frontages facing Merseles Street shall have minimum depths as follows: Corner lot, Montgomery and Merseles Streets - residential structure to be so situated as to provide a minimum of twenty five (25) feet clearance from the sewer easement. Lots north of the above fronting on Merseles Street - residential structures to be so situated as to provide a minimum of three (3) feet clearance from the sewer easement.

Rear yards, except for lots having frontages facing Merseles Street, shall have a minimum depth of twenty (20) feet; lots having frontages facing Merseles Street shall have a minimum rear yard depth of ten (10) feet.

Side yards shall be a minimum of three (3) feet on each side, except for attached houses. Side yards shall be a minimum of seven and one half (7.5) feet on each side for townhouses.

- ii. Density: The density of the housing units shall not exceed thirty-six (36) units per acre based on the total site.
- iii. Building Height: The maximum building height shall be three (3) stories or thirty-five (35) feet.
- iv. Off-Street Parking: Residential - A minimum of one (1) space per housing unit shall be provided. Home occupation - additional off-street parking spaces may be required by the Planning Board in its review for Conditional Use approval. Such parking must be adequately screened with a dense planting of evergreens not less than three (3) feet tall.

The Planning Board can waive the above requirements only upon showing that neighboring properties will not be adversely affected.

- v. Landscaping: A minimum of twenty-five (25) percent of the residential lot area shall be landscaped.
- vi. Lot Size: Each newly subdivided lot shall have a minimum of twenty five hundred (2500) square feet for detached housing and sixteen hundred (1600) square feet for attached housing.
- vii. ~~Land~~ **Building** Coverage: The maximum amount of land covered by buildings shall not exceed sixty (60) percent for each newly subdivided lot.
- viii. Signs: Home Occupations shall be permitted one (1) sign not to exceed two (2) square feet.

4) Industrial:

- a) Planning and Design Objectives: To provide large parcels of conveniently located land to accommodate the expansion and modernization needs of local and new industry while at the same time developing these areas to be compatible with nearby residential and school uses.
- b) Yard Requirements: No building shall be closer than ten (10) feet to the nearest street line, however, no actual building front (excluding parking area) shall be closer than thirty (30) feet from street
- c) ~~Land~~ **Building** Coverage: The maximum amount of land covered by buildings shall not exceed sixty (60) percent.
- d) Density: No applicable to this use.
- e) Building Height: The maximum building height shall be forty (40) feet.
- f) Access to Housing Units: Not applicable to this use.
- g) Off-Street Parking: There shall be provided a minimum of one (1) space per four hundred (400) square feet for office use. One (1) space per seven hundred fifty (750) square feet for service and manufacturing use. One (1) space per five thousand (5000) square feet for warehouse use.
- h) Off-Street Loading: One (1) off-street loading space shall be provided for the first ten thousand (10,000) square feet of floor area and for each additional twenty thousand (20,000) square feet, up to one hundred thousand (100,000) square feet thereafter one (1) space per each additional forty

thousand (40,000) square feet.

- i) Landscaping: A minimum of ten (10) percent of the lot area shall be landscaped, and in the site plan review process the Agency will seek to provide maximum buffering between industrial areas and residential or public areas.

5) Educational:

a) Planning and Design Objectives

- i. Minimum lot size: 70,000 square feet
- ii. Maximum parking spaces: 35
- iii. Setbacks: all setbacks shall be a minimum of 15 feet from the property line (front, side, and rear).
- iv. Building Coverage: shall not exceed 40% of total lot area.
- v. Outdoor recreational space must cover more than 20% of lot area, of which 60% may be paved.
- vi. Building height shall not exceed 75 feet inclusive of rooftop mechanical space.
- vii. Landscaping: All parking areas shall have a landscaped buffer not less than 8 feet in width from the property line to shield view of parked cars from public areas. At the corner of Grand and Prior Street, an eight foot buffer may be substituted with a four feet landscaped strip with a six feet high and 16 feet wide brick wall behind the landscaping for signage purposes shielding the parking lot from Grand Street. All areas not used for parking, traffic or pedestrian circulation, building structure, or outdoor recreation must be landscaped with trees, shrubs, and ground cover. All sidewalk and internal pedestrian circulation pavement must be of brick. A decorative cornice shall be provided at the roof line.
- viii. Design guidelines: All buildings must be primarily masonry. Forty five percent of the building façade must be of brick. A decorative cornice shall be provided at the roof line. No EIFS shall be permitted as a primary building material; it may be used as a decorative element. Outdoor trash dumpsters must be housed in a brick structure, covered by a roof with an attractive screened gate or door.
- ix. Mechanical requirements: All mechanicals shall be placed either within the principal structure or on the roof thereof. All rooftop mechanicals shall be

screened in a manner complementary to the style of the building. No mechanicals shall be housed within an accessory structure.

- x. ~~Signage: No freestanding signs are permitted. All billboards are prohibited. Two (2) signs shall be permitted, not to exceed a total of 5% of the side of the building upon which the sign is attached or a brick monument sign permitted in lieu of four feet of landscaped buffer shall be permitted as in the section above.~~
- xi. ~~Fencing: At the property lines that faces the public ROW, steel or wrought iron type picket fencing only is permitted. Five (5) feet maximum height permitted along Grand Street, six (6) feet maximum height permitted elsewhere.~~

6) **Railroad *Mixed Use*:**

- a) ~~Planning and Design Objectives: To allow for the existing railroad activity only: railroad track and roadbed. And to ensure that this use is compatible with the adjoining districts and maintained. To provide neighborhood commercial, civic, railroad, and residential uses.~~
- b) *Permitted Uses: First floor/street levels are limited to commercial/retail uses and houses of worship along Montgomery Street. Residential uses are permitted on upper floors. Parking garage frontage is permitted only along Florence Street.*
- c) ~~Yard Requirements: Not applicable to this use. Yard setbacks for commercial/retail uses shall be five feet (5') and shall be directly accessible from the adjacent sidewalk. Yard setbacks for houses of shall be ten feet (10'). Yard setbacks for all uses along Florence Street shall be ten feet (10').~~
- d) ~~Land **Maximum Lot Coverage**: Not applicable to this use. 85%. Up to 10% of this requirement may be located on the roof and must meet the definition of a green roof.~~
- e) ***Maximum Building Coverage**: 85% at first floor, 65% on upper floors*
- f) ~~Density: Not applicable to this use. 110 units per acre~~
- g) ~~Building Height: 6 stories and 75' Not applicable to this use.~~
- h) ~~Access to Housing Units: Not applicable to this use.~~
- i) ***Off-Street Parking Garages, required below Montgomery Street grade. It is required that parking be shared between all non-residential uses, and any spaces provided be counted towards both office/medical office/commercial***

and House of Worship parking requirements on block 12405 (lots 1 & 2). Surface parking is prohibited. Not applicable to this use.

- i. *Offices: 1 per 1,000 sf*
- ii. *Medical Offices: 1 per 1,000 sf*
- iii. *Commercial: 1 per 1,000 sf excluding first 5,000 sf*
- iv. *Residential: 0.5 spaces per unit*
- v. *Parking for Houses of Worship shall provide one space for each ten seats. For all Houses of Worship, one seat shall equal 24 inches of pew/bench space. Houses of Worship that do not have seats shall be calculated at a rate of 10 square feet of prayer space equaling one seat.*
- j) Off-Street Loading: Not applicable to this use.
- k) Landscaping: ~~Vacant land under rail trusses must be landscaped with low light level groundcover (i.e. Pachysandra), maintained on a regular basis and shall be kept clean and free of debris. Yard setbacks shall be landscaped. Street trees are required 30' on center.~~
- l) Signs: No billboards are permitted. All existing billboards must be removed by November of the year 2004. *See below for additional sign standards.*
- m) Sidewalks *Minimum sidewalk width: 15' (fifteen feet).*
All sidewalks shall be maintained and kept free of litter and debris.

7) General Provisions:

- a) Off-Street Parking and Loading:
 - i. Each parking space shall have a minimum width of ~~nine (9)~~ *eight and one-half (8.5)* feet and a minimum depth of ~~eighteen (18)~~ *twenty (20)* feet, and shall be suitably delineated.
 - ii. Each loading space shall have a minimum width of twelve (12) feet, a minimum depth of forty (40) feet and a minimum overhead clearance of fourteen (14) feet. Loading areas in Educational zone shall not exceed 36 feet in length.
 - iii. Aisles for movement of traffic within each parking area shall *conform to the standards in the Land Development Ordinance §345-70* ~~have a maximum width of twenty-two (22) feet for two-way traffic.~~
 - iv. Screen planting of a dense evergreen material not less than four (4) feet in height nor more than six (6) feet in height shall be provided in any location

where the lights from vehicles within an off-street parking area for five (5) or more cars may shine directly into windows of nearby residences. In lieu of screen planting, a wooden fence of woven lattice or wooden louver type of split cedar fence with a maximum of three-quarter (3/4) inch spacing may be provided not less than four (4) feet in height.

- v. Illumination of parking areas with over five (5) parking spaces is required during hours of use after dark and shall be of a low level with shielding to prevent glare. In no case shall such lights shine directly onto any adjacent lot or street.
- vi. Surfacing shall be of concrete or an asphalt material to provide a hard, drained and dust free surface.
- vii. All off-street parking areas shall provide poured-in-place concrete curbing to prevent vehicles from encroaching on landscaped or sidewalk areas.
- viii. Time of Provision - All off-street parking and loading requirements shall be met on or before the time of completion of the construction or enlargement of any structure.
- ix. ***All enclosed parking which meets the street must be treated as a primary façade with quality building materials compatible with the neighborhood and with the overall building. The façade must have window openings consistent with the rest of the building, minimal points of egress, light shielding mechanisms to prevent headlights and garage lights from spilling out of the building, and a landscaped buffer in the yard setback to help soften the façade.***

b) Accessory Uses:

- i. Accessory structures shall meet the setback requirements of the principal use.
- ii. Accessory industrial structures shall not exceed forty (40) feet in height. Accessory commercial structures shall not exceed twenty (20) feet in height.
- iii. The land covered by accessory structures shall be included in the land covered by principal building in computing ~~land~~ **building** coverage.
- iv. Plans for location and design of accessory structures shall accompany the plans for the principal structure

and shall be approved by the Jersey City Redevelopment Agency and the Jersey City Planning Board.

- v. *Houses of Worship may include accessory residential use within the principal building not to exceed five percent (5%) of the principal use's gross floor area.*

c) Signs:

- i. Signs on commercial buildings shall not exceed ten (10) percent of the **first floor** area of the side of the building upon which the sign is attached. Each **streetfront** outside wall shall be permitted one (1) sign for each business.
- ii. Signs on buildings in the industrial use areas shall not exceed one hundred fifty (150) square feet in area or ten (10) percent of the area of the front of the building, whichever is less. No more than one (1) sign shall be permitted in each parcel. Said sign may be free standing or attached to the building, but in no event shall a sign be placed in the required setback area. Said sign may be internally or externally illuminated but no glare from external lighting shall be visible beyond lot lines.
- iii. Billboards are prohibited.
- iv. *For educational signage: Two (2) wall-mounted signs shall be permitted, not to exceed a total of 5% of the side of the building upon which the sign is attached. Alternatively, a brick monument sign permitted in lieu of four feet of landscaped buffer shall be permitted.*

d) Planting Easements:

- i. Planting easements are located in redevelopment parcels only. There are no planting easements on properties not to be acquired.
- ii. Planting easements shall be owned and maintained in good condition by the owner of the redevelopment parcel.
- iii. Planting easements shall be credited toward the minimum landscaping requirements of this **Redevelopment Urban Renewal Plan**.
- iv. The purpose of the planting easement is to provide an effective screen between the railroad, the Public

Service Electric and Gas company power substation and the adjoining uses. Also, between all industrial areas and adjacent residential or public areas. Trees should be planted which have a maximum growth height of at least twenty-five (25) feet and the trees shall be at least six (6) feet in height and of three (3) inch caliper at planting. Trees shall be planted at twenty-five (25) feet intervals or closer. The spacing of plants will be determined on the basis of the types of trees used in the easement. The redeveloper shall submit a proposed planting scheme, including the spacing and the types of trees. The Redevelopment Agency shall review the proposed planting scheme to determine its adequacy as a screening device.

8) Review and Approval of Plans and Specifications:

- a) In order to establish and maintain values and insure aesthetic and functional coordination essential to carrying out the objectives of the ~~Urban Renewal Plan~~, developers shall agree to certain additional controls through such means as are deemed appropriate by the Jersey City Redevelopment Agency *and the Jersey City Planning Board*. Such controls will be concerned solely with aesthetic and functional considerations and will not relieve developers of their responsibilities to comply with all ordinances and governmental rules and regulations including the ~~Urban Renewal Plan~~. ~~The Jersey City Redevelopment Agency specifically reserves the right to review and approve the developer's detailed plans, final working drawings and specifications. Review and approval will be specifically concerned with, but not limited to, site planning, architectural and construction details, screening and landscaping ingress and egress and signs. Preliminary sketches, drawings of site plans and building elevations in sufficient detail to show access, layout, landscaping and building construction shall be submitted to the Redevelopment Agency and the Jersey City Planning Board for review and approval before working drawings are made and before construction may commence.~~
- b) Statement of Duration of Provisions and Requirements: The provisions of the *Redevelopment* ~~Urban Renewal Plan~~ specifying the land use for the Project Area and the

requirements and restrictions thereto shall be in effect for a period of forty-nine (49) years following the official adoption of the **Redevelopment** ~~Urban Renewal~~ Plan by the Municipal Council of the City of Jersey City.

- c) Application of Provisions and Requirements of the Urban Renewal Plan to Property not to be Acquired:
 - i. The provisions of Sections C 2a, and C 2b, above shall be applicable to property not to be acquired in the Project Area where such property is extended or enlarged on land acquired or where such property is substantially altered, improved or renovated within the not-to-be acquired parcel.
- d) Prior to commencement of construction, site plans for the construction and/or rehabilitation of improvements to the Area shall be submitted by the developer to the Planning Board of the City of Jersey City for review and approval so that compliance of such plans with the redevelopment objectives can be determined. Site plan review shall be conducted by the Planning Board pursuant to NJSA 40:55D-1 et. seq. Applications may be submitted for the entire project or in any number of phases.

As part of any site plan approval, the Planning Board may require a developer to furnish performance guarantees pursuant to NJSA 40:55D-53 et seq. Such performance guarantees shall be in favor of the City in a form approved by the Jersey City Corporation Counsel. The amount of any such performance guarantees shall be determined by the City Engineer and shall be sufficient to assure completion of on and off site improvements within one (1) year of site plan approval.

- e) Any subdivision of lots and parcels of land within the redevelopment area shall be in accordance with the requirements of this plan and the land subdivision ordinance of the City of Jersey City.

D. PROJECT PROPOSALS

1. Land Acquisition

a. Identification of Real Property Proposed to be Acquired:

- 1) ~~No~~ All real property *identified on the Boundary Map shall to be* acquired for clearance and redevelopment ~~is identified on the Land Acquisition Map, U.R.P. Map No. 3, dated August, 1973.~~
- 2) ~~All real property to be acquired for clearance and construction of public facilities is identified on the Land Acquisition Map No. 3, dated August, 1973.~~
- 3) Rehabilitation and conservation is ~~not~~ contemplated within the project area *for Booker T. Washington Apartments, which is owned by the Jersey City Housing Authority, designated as an "Area in Need of Rehabilitation" and identified on the Areas in Need of Rehabilitation Map .*

b. ~~The only properties not to be acquired in the Project Area are owned by quasi-public utilities. Public Service Electric and Gas Company has a power substation which is not to be acquired, and several railroad lines which cut through the Project Area are not to be acquired. These properties will be screened from disposition parcels by planting easements as described in this Urban Renewal Plan.~~

c. ~~The Jersey City Redevelopment Agency does not contemplate exemption from acquisition any properties designated for acquisition.~~

2. Redeveloper's Obligations

In order to achieve the objectives of the ~~Urban Renewal Plan~~, each developer shall construct improvements in conformity with this plan and commence and complete such construction within a reasonable time as determined by the Jersey City Redevelopment Agency. The time will be specified in disposition documents.

The redeveloper must take effective measures to minimize dust, airborne soil erosion and limit noise during construction.

The redeveloper must be in compliance with all State and local requirements including the New Jersey Soil Erosion and Sediment Control Act (Chapter 21, P.L. 1975) and the New Jersey Noise Control Code (NJSA 13:1G-1 et. seq.).

There shall be no restriction of occupancy or use of any part of the project area on the basis of race, sex, creed, color or national origin.

3. Truck Traffic: Industrial Park Truck Traffic Access will be by internal loop

road and existing major routes (Grand Street, Fairmount Avenue and Montgomery Street).

E. OTHER PROVISIONS NECESSARY TO MEET STATE AND LOCAL REQUIREMENTS

1. The ~~Urban Renewal~~ **Redevelopment** Plan contains all provisions necessary to meet State of New Jersey requirements under the Redevelopment Agencies Law.
2. The ~~Urban Renewal~~ **Redevelopment** Plan contains all provisions necessary to meet all requirements of the City of Jersey City.
3. In order to comply with the requirements of the laws of the State of New Jersey, the following statement is made in reference to the provisions for the temporary relocation and permanent re-housing of the persons residing in the Montgomery Street ~~Urban Renewal~~ **Redevelopment Plan** Area.

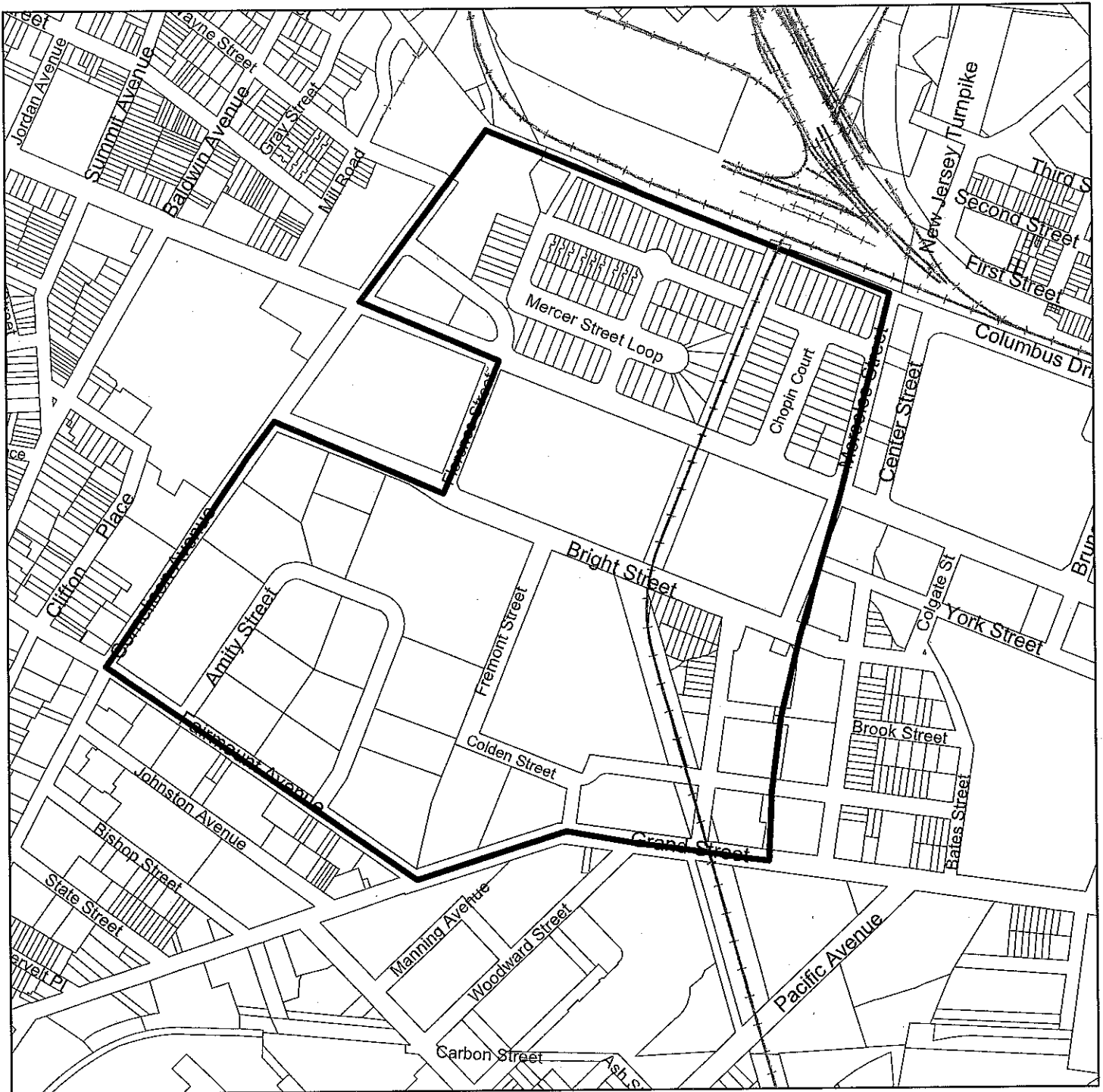
There are presently approximately 195 families of two or more persons and 25 individuals who have permanent residence in the Project Area and will require relocation. The City of Jersey City, through the services of the Redevelopment Agency, will provide these families and individuals the opportunity of being relocated into housing which is decent, safe and sanitary and which is within their financial means. The Redevelopment Agency will establish a relocation office within the Project Area. This office will be staffed by qualified personnel who will actively assist families and individuals in finding adequate accommodations. All families and individuals to be displaced will be interviewed to determine their re-housing requirements. In addition, a list of privately-owned houses and apartments, which have been inspected and certified as being decent, safe and sanitary, will be maintained and all families and individuals will be referred to dwelling units which are within their financial means. It is estimated that of the 195 families in the Project Area, 30 will be relocated into private sales housing, 122 will be relocated into private rental housing and 43 will be relocated into public housing. Of the 25 individuals to be displaced, 17 will relocate into private rental housing and 9 will relocate into public housing. The survey of housing resources and an analysis of the data obtained reveals that approximately 13,442 standard private rental units, 3,536 standard sales housing units, and 1,831 public housing units will become available during the three year relocation period.

4. The ~~Urban Renewal~~ Plan proposes to attain definite local objectives as to appropriate land uses, density of population as well as improved public utilities, traffic circulation, recreational and community facilities and other public improvements.

F. PROCEDURE FOR CHANGES IN APPROVED PLAN

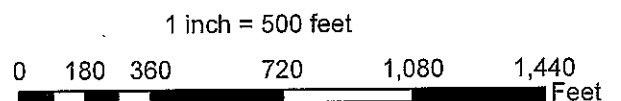
The ~~Urban Renewal~~ Plan may be amended from time to time upon compliance with requirements of law, provided that with respect to any land in the Project Area previously disposed of by the Jersey City Redevelopment Agency for use in accordance with the

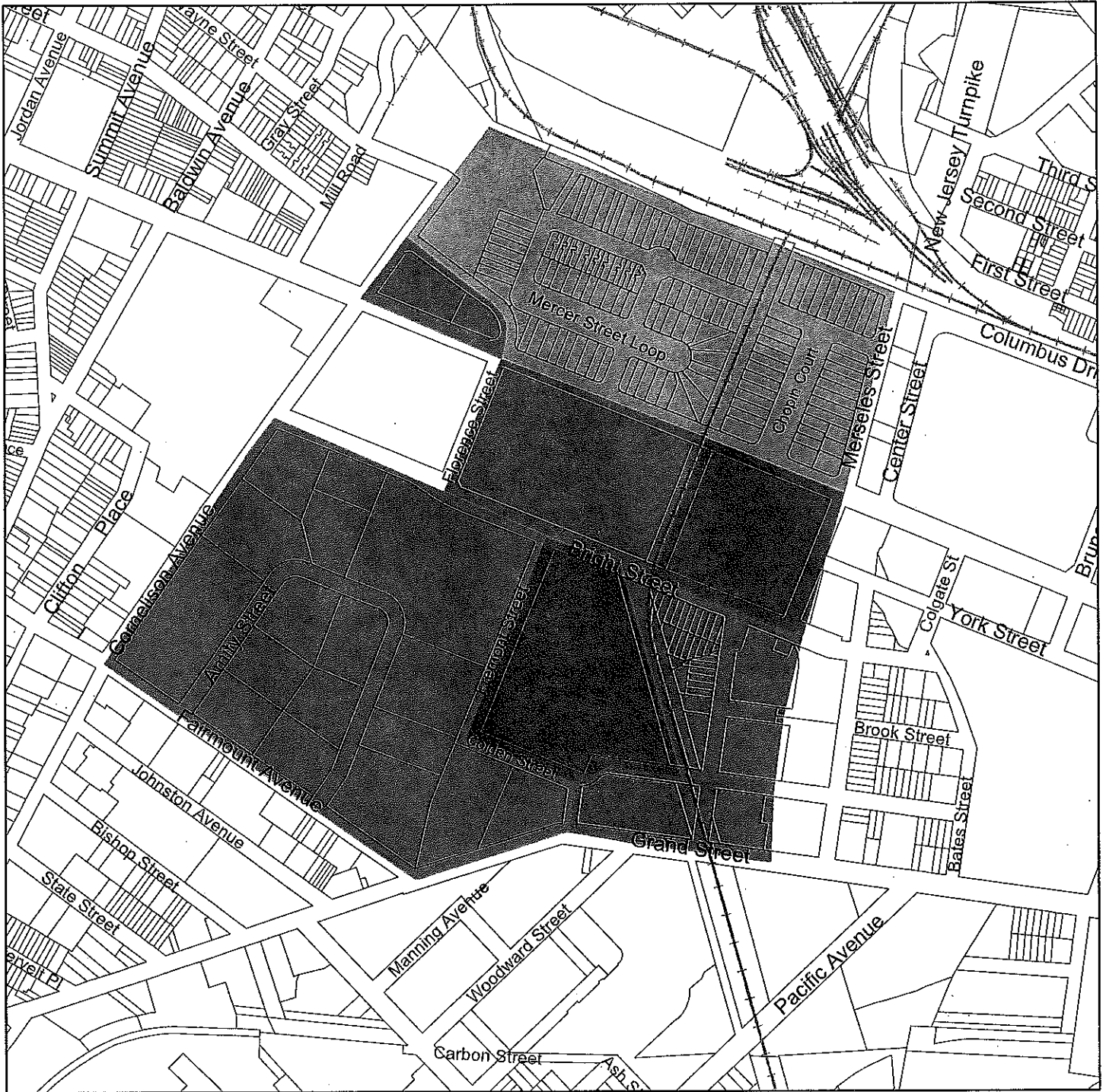
~~Urban Renewal~~ Plan, the Jersey City Redevelopment Agency received written consent of the then owner of such land whose interest therein is materially affected by such amendment. A fee of \$1,000 plus all costs for copying and transcripts shall be payable to the City of Jersey City for any request to amend this plan.



MONTGOMERY STREET REDEVELOPMENT PLAN BOUNDARY MAP

DECEMBER 10, 2013





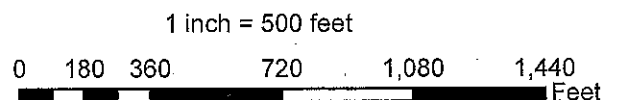
MONTGOMERY STREET REDEVELOPMENT PLAN ZONING MAP

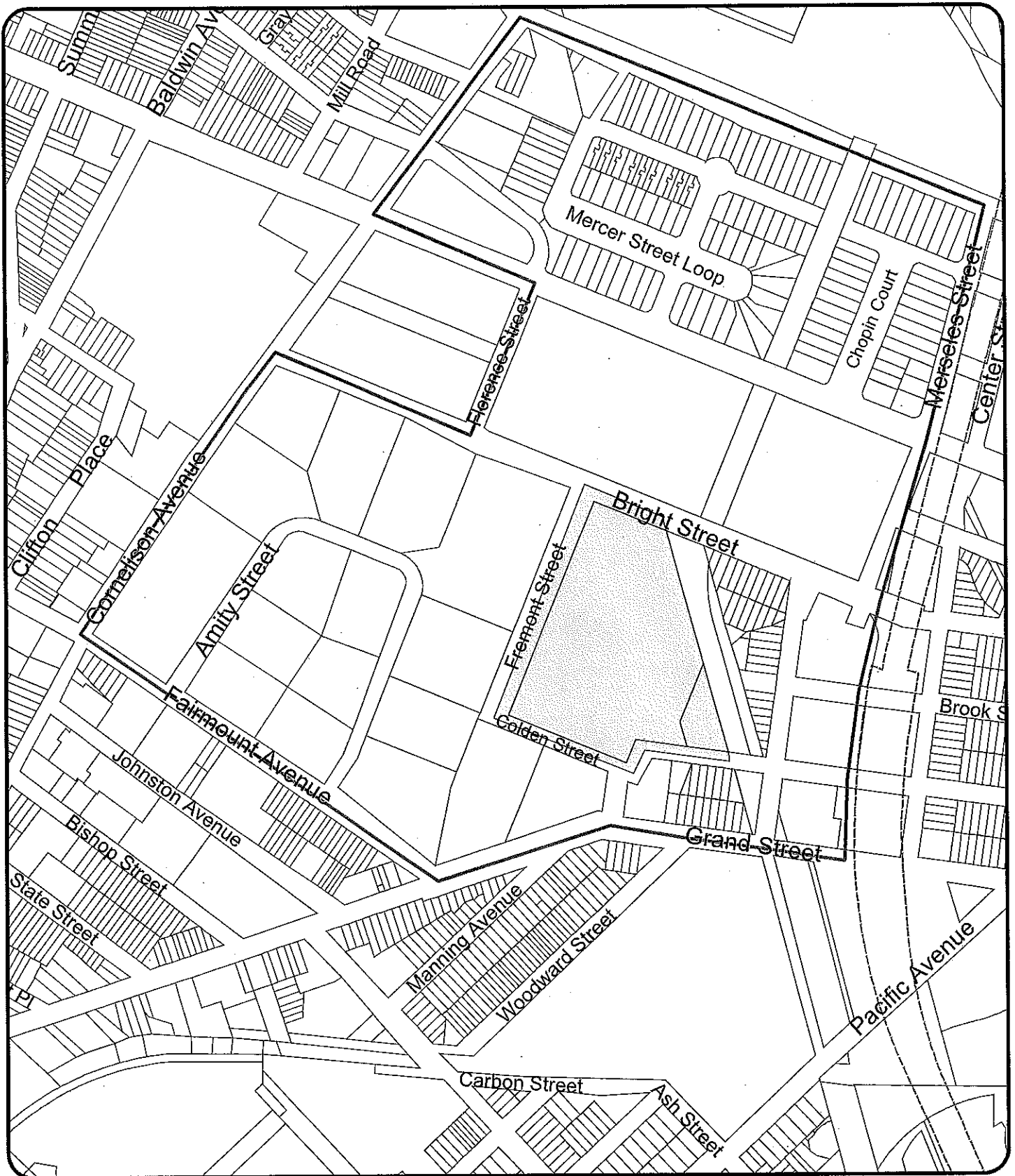
DECEMBER 10, 2013



Legend

- EDUCATION
- INDUSTRIAL OR COMMERCIAL
- MIXED USE
- RESIDENTIAL - A
- RESIDENTIAL - B





MONTGOMERY STREET REDEVELOPMENT PLAN AREAS IN NEED OF REHABILITATION

Legend

- Redevelopment Plan Boundary
- Areas in need of Rehabilitation as of August 10, 2011



January 28, 2014

1 inch equals 400 feet

City Clerk File No. Ord. 14.024

Agenda No. 3.C 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.024

**TITLE: ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY
ADOPTING AMENDMENTS TO THE MORRIS CANAL REDEVELOPMENT PLAN TO
EXPAND AN ADAPTIVE REUSE DISTRICT**

WHEREAS, the Municipal Council of the City of Jersey City adopted the Morris Canal Redevelopment Plan in March of 1999, and amended the Plan numerous times subsequently, most recently on October 9, 2013; and

WHEREAS, the existing Plan has several "Adaptive Reuse" zones intended to allow the preservation of important and/or historic structures in the community; and

WHEREAS, an existing house of worship, St. John's AME, is presently vacant but worthy of preservation; and

WHEREAS, expanding the existing Adaptive Reuse Zone E will allow this structure to be preserved and rehabilitated for residential use, which is a benefit to the community and its history; and

WHEREAS, parking is generally limited by preexisting conditions in cases of adaptive reuse, and the Plan should be adopted to recognize these limitations so that they do not obstruct redevelopment; and

WHEREAS, the Planning Board, at its meeting of January 28, 2014, determined that the Morris Canal Redevelopment Plan should be amended to expand the Adaptive Reuse Zone; and

WHEREAS, a copy of the Planning Board's recommended amendments to the Morris Canal Redevelopment Plan is attached hereto, and made a part hereof, and is available for public inspection at the office of the City Clerk, City Hall, 280 Grove Street, Jersey City, NJ;

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that the aforementioned amendments to the Morris Canal Redevelopment Plan be, and hereby are, adopted.

BE IT FURTHER ORDAINED THAT:

- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be a part of the Jersey City Code as though codified and set forth fully herein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect at the time and in the manner as provided by law.
- D. The City Clerk and the Corporation Council be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible repealers of existing provisions.
- E. The City Planning Division is hereby directed to give notice at least ten days prior to the hearing on the adoption of this Ordinance to the Hudson County Planning board and to all other persons entitled thereto pursuant to N.J.S. 40:55D-15 and N.J.S. 40:55D-63 (if required). Upon the adoption of this Ordinance after public hearing thereon, the City Clerk is directed to publish notice of the passage thereof and to file a copy of the Ordinance as finally adopted with the Hudson County Planning Board as required by N.J.S. 40:55D-16. The clerk shall also forthwith transmit a copy of this Ordinance after final passage to the Municipal Tax Assessor as required by N.J.S. 40:49-2.1.

Robert D. Cotter, PP, FAICP
Director, Division of City Planning

APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED:

APPROVED:

Business Administrator

Certification Required ☐

Not Required ☐

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY ADOPTING AMENDMENTS TO THE MORRIS CANAL REDEVELOPMENT PLAN TO EXPAND AN ADAPTIVE REUSE DISTRICT
--

Initiator

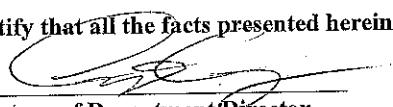
Department/Division	HEDC	City Planning
Name/Title	Robert Cotter, PP, AICP	Director
Phone/email	201-547-5010	bobbyc@cnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

The proposed amendments will expand the existing Adaptive Reuse "zone E" to include a vacant house of worship (St. John's AME) at 326 Pacific Avenue. Such rezoning will preserve the structure by allowing it to be converted into residential units. Additionally, parking requirements have been clarified.
--

I certify that all the facts presented herein are accurate.


Signature of Department Director

2/18/14
Date

Department of Housing, Economic Development & Commerce
Division of City Planning



Inter-Office Memorandum

DATE: February 11, 2014
TO: Council President Lavarro, Anthony Cruz, Bob Cotter
FROM: Kristin J. Russell, PP, AICP
SUBJECT: Morris Canal Redevelopment Plan amendment

The amendments before you for the Morris Canal Redevelopment Area expand an existing "Adaptive Reuse E" zone. This zone is intended to preserve structures that are architecturally interesting, important, and/or sound, and allow them to be re-used.

The amendment will incorporate the AME Church into the zone, so that it can be rehabilitated as residential units. The religious structure to its rear, All Saints, has already benefited from this zoning.

Additionally, language was added to the plan to acknowledge that there are physical limitations on existing structures which may preclude them from providing as much parking as would typically be expected, and this limitation should not encumber the preservation and reuse goals.

Summary Sheet:

**ORDINANCE OF THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY
CITY ADOPTING AMENDMENTS TO THE MORRIS CANAL
REDEVELOPMENT PLAN TO EXPAND AN ADAPTIVE REUSE DISTRICT**

The proposed amendments will expand the existing Adaptive Reuse "zone E" to include a vacant house of worship (St. John's AME) at 326 Pacific Avenue. Such rezoning will preserve the structure by allowing it to be converted into residential units. Additionally, parking requirements have been clarified.

Morris Canal

Redevelopment Plan

(formerly known as the Garfield - Lafayette Redevelopment Plan)

As adopted by the Municipal Council of the City of Jersey City

March 1999

Amended February 27, 2002

Amended March 27, 2002

Amended July 26, 2002

Amended November 13, 2002

Amended August 11, 2004

Amended January 11, 2006

Amended October 16, 2006

Amended March 14, 2007

Amended May 28, 2008 – Ord. 08-060

Amended June 25, 2008 – Ord 08-084

Amended December 17, 2008 – Ord 08-169

Amended January 28, 2009 – Ord 09-006

Amended June 17, 2009 – Ord 09-071

Amended May 12, 2010 – Ord 10-064

Amended August 25, 2010 – Ord 10-104

Amended September 29, 2010 – Ord 10-115

Amended November 23, 2010 – Ord 10-156

Amended February 23, 2011 - Ord 11-024

Amended June 29, 2011 – Ord. 11-071

Amended June 27, 2012 – Ord. 12-083

Amended October 9, 2013 – Ord. 13-103

Proposed Amendment 2/7/14

The following section of the existing plan shall be amended thusly:

M. ADAPTIVE REUSE OVERLAY ZONES

To provide options for property owners of certain significant and appropriate structures, and/or certain outmoded institutional and industrial structures, that existed at the time of adoption of this redevelopment plan to have greater flexibility in use than would be permitted by the underlying residential, retail or industrial district. Adaptive Reuse Overlay - Zone A and Adaptive Reuse Overlay - Zone D consists of certain properties that are contained within the Plan Residential zone. Adaptive Reuse Overlay - Zone B consists of a property that crosses the boundary between an Industrial zone and Mixed Use - B zone (Neighborhood Retail and Residential). Adaptive Reuse Overlay - Zone C consists of a property that exists within an Industrial zone, but is on the cusp of an adjacent R-2 zone that is outside the Plan Area, and is across the street from parcels that are planned for parkland by this Plan. *Zone E consists of old houses of worship structures.*

The Adaptive Reuse Overlay Zones shall be in addition to, and not supersede, the underlying zoning categories. Furthermore, the Adaptive Reuse Overlay Zone shall apply only to those structures that existed at the time of adoption of this Plan, as listed within each Overlay Zone category of this Plan, or new construction on vacant land within the Overlay Zones which permit new construction as outlined elsewhere in this section. Should said structures be demolished, or the exterior be significantly altered, except in compliance with the requirements of this section, the subject parcel shall no longer be considered part of an Adaptive Reuse Overlay Zone, and the underlying Plan zoning requirements shall be in effect.

1. Design Standards

- a. For the adaptation, rehabilitation, and/or reuse of existing buildings (existing lower portions, not including any permitted vertical additions), the design standards contained within the Section XII for this district shall apply. Existing buildings shall implement rehabilitation that restores the building's exterior façade to its original profile to the extent possible within reasonable engineering methods and cost. Restoration of original window and door openings is encouraged to the extent feasible.
- b. For new construction as a vertical addition on top of existing buildings, the following shall apply:
 - (1) Vertical additions are only permitted on flat-roof buildings, and buildings free of decorative elements (such as domes, cupolas, cones, belvederes, towers, turrets, etc.)
 - i. Vertical additions shall not be made to replicate the original building in materials or color. Additions shall be primarily of glass and steel with other modern material details. Glazing on additions must be a minimum of 85%.
 - ii. All buildings shall incorporate flat roofs, except where existing roofs are sloped, gabled, or turreted or otherwise decoratively treated, in which case they shall remain.
 - (a) Roofs may contain HVAC equipment, provided however, that the equipment must be enclosed or screened. Constructed screening shall be executed in a matter that is sympathetic with the architecture of the building, and shall

not be visible from an elevation of five feet above the sidewalk on the opposite side of the public right-of-way.

- (b) Roofs shall include open space for building residents. Terraces, decked areas, seating areas, and landscaping should be included.

(2) Rehabilitated buildings shall include the following amenities:

- i. Laundry facilities. A minimum of one (1) washer and dryer for every ten (10) units with a minimum of one (1) washer and dryer on each residential floor must be provided; OR a washer and dryer in each residential unit.
- ii. Bicycle storage. An appropriately sized bicycle storage room or locker area must be situated on the first floor or garage of all rehabilitated buildings.

2. Area, yard and bulk standards

- a. The adaptive re-use of these properties shall exempt the property from all area, yard and bulk requirements, provided that the lot size is not reduced from that which existed at the time of the adoption of this Plan; that the coverage is not increased by more than 5%; and that the height is not increased by more than two stories or penthouse floors or a single floor with a mezzanine, either not to exceed 20 feet, unless the specific Overlay Zone allows new construction within the zone.
- b. *Except where otherwise regulated in this section, parking shall be provided to the greatest extent practicable considering the constraints of each site and prioritizing the preservation of the existing structures. The Board shall consider each application and determine if the parking proposed is appropriate.*

3. List of Adaptive Reuse Overlay Zones and Permitted Uses:

- a. **Adaptive Reuse Overlay – Zone A**
no changes
- b. **Adaptive Reuse Overlay – Zone B**
no changes
- c. **Adaptive Reuse Overlay – Zone C**
no changes
- d. **Adaptive Reuse Overlay – Zone D**
no changes

e. Adaptive Reuse Overlay – Zone E

Block	Lot	Address
20005	3	305 Whiton Street
20005	4, 25	326 Pacific Avenue

(1) Permitted Principal Use

- (a) Residential

(2) Accessory Uses






- A. Parking
- B. Patio & Landscaping
- C. Fences and Walls

Morris Canal Redevelopment Plan

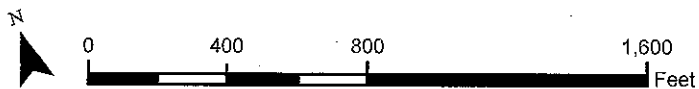
Map C: Adaptive Reuse Zoning Overlay



Legend

-  Adaptive Reuse - A
-  Adaptive Reuse - B
-  Adaptive Reuse - C
-  Adaptive Reuse - D
-  Adaptive Reuse - E

January 2, 2014



City Clerk File No. Ord. 14.025

Agenda No. 3.D 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.025

TITLE: **ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 122 (CIRCUSES,
CARNIVALS AND PUBLIC ASSEMBLAGES) OF THE JERSEY CITY MUNICIPAL CODE**

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY HEREBY ORDAINS:

- A. The following amendments to Chapter 122 (Circuses, Carnivals and Public Assemblages) of the Jersey City Municipal Code are hereby adopted:

Chapter 122

CIRCUSES, CARNIVALS AND PUBLIC ASSEMBLAGES

§122-1. Permission Required; Hours and Conditions of Operation.

- A. It shall be unlawful for any person, firm or corporation to erect or cause to be erected any temporary structure composed wholly or partly of canvas or similar material to be used as a place of amusement or for any religious, educational or recreational purposes or for any other public assemblages whatsoever within the city without first having made application to and received permission to do so in accordance with the conditions and limitation as set out in this chapter.
- B. Any permit approved for a structure or activity permitted under § 122-1A shall be subject to the following conditions:

(1) Hours of operation:

- a. Exchange Place. Due to the high number of permits issued for activities at the Exchange Place site (defined as the area from Christopher Columbus south to Essex Street, and from Washington Street east to the waterfront), permit hours at Exchange Place shall be from 10:00 a.m. to 8:00 pm on Sunday through Thursday and from 10:00 a.m. to 10:00 p.m. on Friday and Saturday.
- b. All other sites. Permit hours at all others sites shall be from 10:00 a.m. to 11:00 p.m. on Sunday through Thursday and from 10:00 a.m. to 12:00 midnight on Friday and Saturday.

(2) All musical activity shall cease one hour before closing time, unless the Director of Public Safety, for good cause, directs an earlier cessation.

- (3) If any special permit has been issued for the sale of alcoholic beverages, all sales, offers for sale and serving of alcoholic beverages shall cease ~~{1-2}~~ one (1) hour before closing time unless the Chief of Police or a representative of the Chief for good cause directs an earlier cessation.

ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 122
(CIRCUSES, CARNIVALS AND PUBLIC ASSEMBLAGES) OF THE JERSEY
CITY MUNICIPAL CODE

§122-2. Through §122-9. No Change.

- B. All Ordinances and parts of Ordinances inconsistent herewith are hereby repealed.
- C. This Ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. the City Clerk shall have this Ordinance codified and incorporated in the official copies of the Jersey City Code.
- D. This ordinance shall take effect at the time and in the manner as provided by law.
- E. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this Ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All new material is underlined; words in ~~brackets~~ are omitted.
For purposes of advertising only, new matter is indicated by **boldface**
and repealed matter by *italic*.

JM/he
2/19/14

APPROVED AS TO LEGAL FORM

Corporation Counsel

Certification Required ☐
Not Required ☐

APPROVED: _____

APPROVED: _____
Business Administrator

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

Amendments to the Carnival Ordinance

Initiator

Department/Division	City Council	
Name/Title	Candice Osborne	Councilwoman - Ward E
Phone/email	201-936-4176	

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

The completion of the Owen Grundy Pier and the Waterfront walkway have made the Exchange Place area a more favorable place to hold weekend festivals. Most weekends in the summer, festivals take place which draw not only from NJ, but from the region. Also during this time, the make up of the Exchange Place area has changed from commercial to a mix of commercial and residential. Today several residential high rises exist in the neighborhood close to the waterfront. This ordinance aims to create balance with residents and guests by the creation of a "high frequency" festival area with revised hours permitted. In the future, other areas which are deemed high frequency areas can be added to the ordinance.

I certify that all the facts presented herein are accurate.

Candice Osborne

Signature of Department Director

Date

City Clerk File No. Ord. 14.026

Agenda No. 3.E 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.026

TITLE: **ORDINANCE AMENDING CHAPTER 242 (PEACE AND GOOD ORDER) ARTICLE V (MOTOR VEHICLES) OF THE JERSEY CITY MUNICIPAL CODE**

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY HEREBY ORDAINS:

- A. The following amendments to Chapter 242 (Peace and Good Order) Article V (Motor Vehicles) are hereby adopted:

PEACE AND GOOD ORDER

ARTICLE V

Motor Vehicles

§242-7. ~~Nuisance.~~ Violations – Breach of the Peace; Obstructing Pedestrian Way; Stopping Vehicles at an Intersection.

~~[It is hereby declared a nuisance for]~~ No [any] person shall ~~[to]~~ drive, maintain or use a motor vehicle in any manner so as to:

- A. Create or cause to be created a breach of peace.
- B. Create or cause to be created any disturbance or annoyance to the comfort and repose of any person.
- C. Obstruct the free passage of pedestrians or other motor vehicles.
- D. Interfere with the safety of pedestrians or other vehicles.
- E. Engage in any course of conduct alarming to any reasonable person.
- F. Stop a motor vehicle within an intersection or marked crosswalk, if preceding traffic or any traffic light or signal prevents the immediate clearance of the intersection or marked crosswalk.

Note: All new material is underlined; words in ~~[brackets]~~ are omitted. For purposes of advertising only, new matter is **boldface** and repealed matter by *italics*.

1W/igp
2/18/14

APPROVED AS TO LEGAL FORM

Corporation Counsel

Certification Required ☐

Not Required ☐

APPROVED: _____

APPROVED: _____
Business Administrator

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

ORDINANCE AMENDING CHAPTER 242 (PEACE AND GOOD ORDER) ARTICLE V (MOTOR VEHICLES) OF THE JERSEY CITY MUNICIPAL CODE

Initiator

Department/Division	Office of the Mayor	
Name/Title	Douglas Carlucci	Aide to the Mayor
Phone/email	201-547-4943	dcarlucci@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

Amends Municipal Code specifically to prohibit vehicles from obstructing intersections and crosswalks, in conformance with N.J.S.A. 39:4-67.

The Office of the Mayor presents this ordinance as part of the City's inter-department preparations for the closure of the Northbound lanes of the Pulaski Skyway on April 12, 2014. The purpose of the amendment is to prevent gridlock on City streets in anticipation of increased traffic volume on local streets during the Skyway closure.

I certify that all the facts presented herein are accurate.


Signature of Department Director


Date

City Clerk File No. Ord. 14.027
Agenda No. 3.F 1st Reading
Agenda No. 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.027

TITLE: ORDINANCE AMENDING CHAPTER 304 (TAXATION) ARTICLE III (FIVE-YEAR TAX EXEMPTION) AND ARTICLE VI (LONG TERM AND FIVE YEAR TAX EXEMPTIONS AFFORDABLE HOUSING TRUST FUND) OF THE JERSEY CITY MUNICIPAL CODE

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY DOES ORDAIN:

A. The following amendment to Chapter 304 (Taxation) Article III (Five-Year Tax Exemption) of the Jersey City Code are hereby adopted:

ARTICLE III Five-Year Tax Exemption

§304-6. Through §304-12. No Change.

§304-13. General requirements.

A. Every applicant for tax exemption ~~[including a tax exemption subject to a tax agreement which requires the separate application described in § 304-12B above,]~~ shall file that form of application prescribed by the Director of the New Jersey Division of Taxation in the Department of Treasury with the Assessor. In addition, a tax exemption subject to a tax agreement requiring approval of the Municipal Council shall also file the application described in Section 304-12B. ~~[As a condition to approval, the application must be filed within thirty (30) days, including Saturdays and Sundays, following the Completion of the Improvement, Conversion or Construction. Every application for exemption, including those projects which must also receive the approval of the Municipal Council, so filed shall be approved and allowed by the Assessor to the degree that the application is consistent with the provisions of this article; that is, the Improvement, Conversion Alteration or Construction for which the application is made must qualify pursuant to the provisions of the law and this article. The applicant shall submit data in support of the application as the Assessor or City shall require.]~~

(1) every application for a tax exemption subject to a tax agreement under Section 304-12B, must be filed and approved before proceeding with the project, that is, prior to construction commencing;

(2) all other applications for tax exemption must be filed up to thirty (30) days, including Saturdays and Sundays, following the Completion of the Improvement, Conversion or Construction.

B. Every application for tax exemption, including projects which must also be approved by the Municipal Council, shall be approved and allowed by the Assessor to the degree that the application is consistent with the provisions of this article; that is, the Improvement, Conversion Alteration or Construction for which the application is made must qualify pursuant to the provisions of the law and this article. The applicant shall submit data in support of the application as the Assessor or City shall require.

[B]C. The granting of an exemption and, if appropriate, tax agreement, shall be recorded and made a permanent part of the official tax records of the taxing district, which record shall contain a notice of the termination date thereof.

- [E]D. As to applications which require approval by the Municipal Council, the Assessor shall forward the application to the Director of Housing, Economic Development and Commerce and the Municipal Council for action.
- [E]E. No application shall be filed unless it is accompanied by the fees as provided in Chapter 160, Fees and Charges, to be paid as compensation for legal and related administrative review by the City.
- [E]F. No exemptions shall be granted for any property for which property taxes or any other Municipal Charges, including interest, are delinquent or remain unpaid or for which penalties for nonpayment are due.
- [F]G. All taxes and other Municipal Charges must be paid timely and in full during the term of the exemption. The failure to timely pay any tax or other Municipal Charge, including land tax, shall permit the Tax Collector to terminate the tax exemption and subject the property to full taxation.
- [G]H. Any tax appeal filed for the exempt property during the term of the exemption shall immediately void the tax exemption.

B. The following amendment to Chapter 304 (Taxation) Article VI (Long Term and Five Year Tax Exemptions Affordable Housing Trust Fund) of the Jersey City Code are hereby adopted:

ARTICLE VI

Long Term and Five Year Tax Exemptions Affordable Housing Trust Fund

§304-28. Contribution required.

- A. No long term tax exemption permitted under N.J.S.A. 40A:20-1 et seq., or five year tax exemption permitted under N.J.S.A. 40A:21-1 et seq. ~~-8~~ and Section 304-12 of the Jersey City Municipal Code, for any market rate housing project or any commercial or industrial project, shall be approved unless the ~~{urban renewal entity}~~ recipient makes a contribution to the Jersey City's Affordable Housing Trust Fund, in accordance with N.J.S.A. 40A:12A-4.1 et seq., and this Chapter.
- B. No contribution shall be required of ~~{an urban renewal entity}~~ a recipient that by a recorded deed or agreement, restricts (thereby setting aside) a minimum of fifteen (15) percent of the project for low and moderate income affordable housing for a minimum period of thirty (30) years in accordance with the Fair Housing Act, N.J.S.A. 52:27D-301 et seq.

§304-29. Through §304-32. No Change.

- C. All Ordinances and parts of Ordinances inconsistent herewith are hereby repealed.
- D. This Ordinance shall be a part of the Jersey City Code as though codified and fully set forth therein. the City Clerk shall have this Ordinance codified and incorporated in the official copies of the Jersey City Code.
- E. This ordinance shall take effect at the time and in the manner as provided by law.
- F. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this Ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All new material is underlined; words in ~~{brackets}~~ are omitted.
For purposes of advertising only, new matter is indicated by **boldface**
and repealed matter by *italic*.

JM/he
2/18/14
APPROVED AS TO LEGAL FORM

Corporation Counsel

APPROVED: _____
APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

ORDINANCE AMENDING CHAPTER 304 (TAXATION) ARTICLE III (FIVE-YEAR TAX EXEMPTION) AND ARTICLE VI (LONG TERM AND FIVE YEAR TAX EXEMPTIONS AFFORDABLE HOUSING TRUST FUND) OF THE JERSEY CITY MUNICIPAL CODE

Initiator

Department/Division	Law	Law
Name/Title	Jeremy Farrell	Corporation Counsel
Phone/email	(201) 547-4667	JFarrell@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

The amendment requires applicants for five (5) year tax abatements that require Council approval to file and receive approval of their application before construction commences.

This amendment also confirms that recipients of 5-year tax abatements are required to make affordable housing contributions.

This ordinance was requested by the Council President, Rolando Lavarro.

I certify that all the facts presented herein are accurate.

Signature of Department Director

Date

2/19/14

City Clerk File No. Ord. 14.028

Agenda No. 3.6 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE
offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.028

TITLE: AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 11608, LOT 1, QUALIFIER C000E, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 65 BAY STREET

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, the City of Jersey City as an area in need of rehabilitation, is authorized to adopt an ordinance to utilize tax exemptions pursuant to N.J.S.A. 40A:21-1, et seq., the Five (5) Year Exemption and Abatement Law; and

WHEREAS, pursuant to N.J.S.A. 40A:21-1 et seq., the City of Jersey City adopted Ordinance 05-060, Section 304-6 et seq. of the Municipal Code, to allow Five (5) Year Tax Exemptions which allows the Tax Assessor to regard the full and true value or a portion thereof of certain improvements as not increasing the full and true value of certain property for a period of five (5) years, provided the owner's application is approved by the Tax Assessor and by Ordinance of the Municipal Council; and

WHEREAS, pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code, a tax exemption for the construction of a fifty (50) story residential tower to be known as the "East Unit", which will contain approximately four hundred forty-seven (447) rental apartments; ten thousand six hundred eleven (10,611) square feet of retail space; and one hundred forty-four (144) parking spaces on the Property, is permitted for a period of five (5) years; and

WHEREAS, Morgan Street Developers Urban Renewal Company, LLC [Entity], is the owner of Property designated as Block 11608, Lot 1, Qualifier C000E on the City's Tax Map and more commonly known by the street address of 65 Bay Street, Jersey City, N.J.; and

WHEREAS, the Entity now plans to construct a fifty (50) story residential tower to be known as the "East Unit", which will contain approximately four hundred forty-seven (447) rental apartments; ten thousand six hundred eleven (10,611) square feet of retail space; and one hundred forty-four (144) parking spaces on the Property, which shall be adjacent to the existing tower known as Trump Plaza; and

WHEREAS, construction is expected to complete within thirty (30) months from the date of adoption of this ordinance; and

WHEREAS, on November 26, 2013, the Entity filed an application for a five (5) year tax exemption to construct a new multiple dwelling Project, a copy of which application is attached hereto; and

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ., AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 11608, LOT 1, QUALIFIER C000E, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 65 BAY STREET

WHEREAS, Morgan Street Developers Urban Renewal Company, LLC, proposes to pay the City (in addition to the full taxes on the land, which shall continue to be conventionally assessed and are currently taxed at the sum of \$92,843.44) a tax payment for the new improvements on the property, as follows:

- (a) 2014: the tax year in which the structure will be completed. \$0 taxes;
- (b) 2015: the second tax year, 20% of actual full taxes, estimated to be \$552,817;
- (c) 2016: the third tax year, 40% of actual full taxes, estimated to be \$1,105,634;
- (d) 2017: the fourth tax year, 60% of actual full taxes, estimated to be \$1,658,451; and
- (e) 2018: the fifth tax year, 80% of actual full taxes, estimated to be \$2,211,268;

WHEREAS, the Tax Assessor has determined that the full and true value of the new construction will generate an additional tax payment of \$2,764,085 a year; and

WHEREAS, the applicant has agreed that in the event the Citywide revaluation results in a decrease in the estimated amount of actual taxes otherwise due, then for purposes of calculating a tax payment hereunder and for the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes otherwise due; and

WHEREAS, the application for tax exemption was complete and timely filed; the application was approved by the Tax Assessor and the multiple dwelling Project is eligible for tax exemption pursuant to N.J.S.A. 40A:21-9 and Section 304-12 of the Municipal Code; and

WHEREAS, upon the expiration of the tax exemption, the total assessment will generate a total tax payment of \$2,764,085; and

WHEREAS, Morgan Street Developers Urban Renewal Company, LLC, has agreed to pay the sum of \$686,417 to the City's Affordable Housing Trust Fund.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

1. The application, attached hereto, for a five (5) year tax exemption for the full and true value of a fifty (50) story residential tower to be known as the "East Unit", which shall adjacent to the existing tower known as Trump Plaza, which will contain approximately four hundred forty-seven (447) rental apartments; ten thousand six hundred eleven (10,611) square feet of retail space; and one hundred forty-four (144) parking spaces, located in Block 11608, Lot 1, Qualifier C000E, and more commonly known by the street address of 65 Bay Street, Jersey City, N.J., is hereby approved.

2. The Mayor or Business Administrator is hereby authorized to execute a tax exemption agreement which shall contain at a minimum, the following terms and conditions:

- (a) tax payment on the new improvements shall be:

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ. AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 11608, LOT 1, QUALIFIER C000E, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 65 BAY STREET

- (i) Year 1: the tax year in which the structure will be completed. \$0 taxes;
- (ii) Year 2: the second tax year, 20% of actual full taxes, estimated to be \$552,817;
- (iii) Year 3: the third tax year, 40% of actual full taxes, estimated to be \$1,105,634;
- (iv) Year 4: the fourth tax year, 60% of actual full taxes, estimated to be \$1,658,451; and
- (v) Year 5: the fifth tax year, 80% of actual full taxes, estimated to be \$2,211,268.

The applicant has agreed that in the event the Citywide revaluation results in a decrease in the amount of actual taxes otherwise due for purposes of calculating a tax payment hereunder; during this five (5) year period, the amount due hereunder shall be calculated on the higher of the amount estimated above or the actual taxes due after the revaluation; and

(b) The project shall be subject to all federal, state and local laws, and regulations on pollution control, worker safety, discrimination in employment, zoning, planning, and building code requirements pursuant to N.J.S.A. 40A:21-11(b).

(c) If, during any tax year prior to the termination of the tax agreement, the property owner ceases to operate or disposes of the property, or fails to meet the conditions for qualifying, then the tax which would have otherwise been payable for each tax year shall become due and payable from the property owner as if no exemption and abatement had been granted. The collector forthwith ad the tax collector shall, within 15 days thereof, notify the owner of the property of the amount of taxes due.

(d) With respect to the disposal of the property, where it is determined that the new owner of the property will continue to use the property pursuant to the conditions which qualified the property, no tax shall be due, the exemption shall continue, and the agreement shall remain in effect.

(e) At the termination of a tax exemption agreement, the new improvements shall be subject to all applicable real property taxes as provided by State law and regulation and local ordinance; but nothing herein shall prohibit a project, at the termination of an agreement, from qualifying for, an receiving the full benefits of, any other tax preferences provided by law.

(f) Affordable Housing Trust Fund: \$1,500 per unit and \$1.50 per square foot of commercial retail space, for a total of \$686,417.

- 3. An obligation to execute a Project Employment and Contracting Agreement and Project Labor Agreement to insure employment and other economic benefits to City residents and businesses.
- 4. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project achieves Substantial Completion within thirty-six (36) months of the date of adoption of the within Ordinance.

AN ORDINANCE APPROVING A FIVE (5) YEAR TAX EXEMPTION PURSUANT TO THE PROVISIONS OF N.J.S.A. 40A:21-1, ET SEQ, AND SECTION 304-9 OF THE MUNICIPAL CODE FOR PROPERTY DESIGNATED AS BLOCK 11608, LOT 1, QUALIFIER C000E, ON THE CITY'S TAX MAP AND MORE COMMONLY KNOWN BY THE STREET ADDRESS OF 65 BAY STREET

5. The form of tax exemption agreement is attached hereto as Exhibit B, subject to such modification as the Corporation counsel or Business Administrator deems necessary.
6. The Tax Assessor shall send a copy of the fully executed Financial Agreement will be sent to the Director of the Division of Local Government Services in the Department of Community Affairs within thirty (30) days of execution pursuant to N.J.S.A. 40a:21-11(d).
- A. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- B. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.
- C. This ordinance shall take effect at the time and in the manner provided by law.
- D. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated by **bold face** and repealed matter by *italic*.

Dj/he
2/19/14

APPROVED AS TO LEGAL FORM



Corporation Counsel

APPROVED: _____

APPROVED: _____
Business Administrator

Certification Required ☐
Not Required ☐

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

An Ordinance Approving a Five (5) Year Tax Exemption Pursuant to the Provisions of N.J.S.A. 40A:21-1, et seq., and Section 304-9 of the Municipal Code for Property Designated as Block 11608, Lot 1, Qualifier C000E, on the City's Tax Map and More Commonly Known by the Street Address of 65 Bay Street

Initiator

Department/Division	Law Department	Law Department
Name/Title	Diana Jeffrey	Asst. Corporation Counsel
Phone/email	(201) 547-4797	DJeffrey@icnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

Morgan Street Developers Urban Renewal Company, LLC, is the owner of Property designated as Block 11608, Lot 1, Qualifier C000E on the City's Tax Map and more commonly known by the street address of 65 Bay Street, Jersey City, N.J.

The Entity now plans to construct a fifty (50) story residential tower to be known as the "East Unit", which will contain approximately four hundred forty-seven (447) rental apartments; ten thousand six hundred eleven (10,611) square feet of retail space; and one hundred forty-four (144) parking spaces on the Property, which shall be adjacent to the existing tower known as Trump Plaza.

The Entity has applied for a five (5) year tax exemption for the Project.

I certify that all the facts presented herein are accurate.

Signature of Department Director

Date

DATE: December 13, 2013

TO: Diana Jeffery (For distribution to City Council and City Clerk)

FROM: Al Cameron Tax Collector's Office

SUBJECT: FIVE-YEAR TAX ABATEMENT APPLICATION: Morgan Street
Developers Urban Renewal Company, LLC (Trump Plaza II), Block
11608, Lot 1, Qualifier C000E

CC: M. Cosgrove, J. Monahan

INTRODUCTION:

The applicant, Morgan Street Developers Urban Renewal Company, LLC, is applying for a five (5) Year tax abatement under N.J.S.A. 40 A: 20-1 et seq.

APPLICATION FEE:

The applicant requests a credit in the amount of \$9,500 for a prior application fee for this project submitted on January 9, 2012. The application was for a long-term abatement and substantially different from this application. The full fee of \$10,000 is due and should be collected.

LOCATION OF THE PROPERTY:

The property is located in the Exchange Place North Redevelopment Area. The property is a vacant lot bounded by Trump Plaza I to the West, Bay Street to the North, Greene Street to the East, and Morgan Street to the South. The property is approximately .65 of an acre.

PROPERTY TO BE CONSTRUCTED:

The project is to be a mixed-use fifty (50) story rental building with four hundred seventy-seven (477) residential units and approximately 10,611 square feet of ground level retail/commercial space. The building will be adjacent to the existing Trump Plaza I and will share a parking garage. One hundred forty-four (144) spaces will be added so that both buildings will have a garage for six hundred twenty-one (621) parking spaces.

ESTIMATED TOTAL CONSTRUCTION COST:

The cost of construction is estimated, but not certified, at \$145,475,266.

CONSTRUCTION SCHEDULE:

An estimated construction commencement date is not provided. Completion is estimated at thirty (30) months from start.

ESTIMATED JOBS CREATED:

The applicant estimates creation of four hundred twenty-five (425) jobs during Construction and thirty-five (35) permanent jobs after construction. In the proposed Financial Agreement (Article VIII), the applicant agrees to comply with the terms and conditions of the Project Employment Agreement attached as Exhibit C. There is no Exhibit C attached to the proposed Financial Agreement.

AFFORDABLE HOUSING TRUST FUND CONTRIBUTIONS:

The applicant proposes an AHTF contribution of \$686,416 at the rate of \$1,500 per residential unit and \$1.50 per square foot of retail space. I agree with the calculations for the residential and commercial units, but I believe the area used for revenue generating parking spaces should make an AHTF Contribution at the commercial rate. Projected revenue includes parking however the application does not provide for an AHTF Contribution for the space.

The applicant claims that the prior owner of the property, Vector Urban Renewal Associates II, L. P. made an AHTF Contribution of \$211,850. The applicant requests a credit for this amount against its AHTF requirement.

CURRENT REAL ESTATE TAXES:

The applicant states that land tax for the property is \$92,483 and that all taxes due have been paid.

PROPOSED ABATEMENT:

The applicant has requested a term of five (5) years for the abatement on the improvements. The Applicant will pay land tax in each and every year of the abatement and has proposed a phase in of the assessment on improvements. In year one (1) the applicant proposes no taxes on improvements. In year two (2) the applicant would pay taxes on twenty percent (20%) of the improvements. The applicant would pay forty percent (40%) in year three (3), sixty percent (60%) in year four (4), Eighty percent (80%) in year five (5) and full taxes in year six (6).

PROPOSED REVENUE TO THE CITY:

The applicant claims that the prior owner of the property, Vector Urban Renewal Associates II, L. P. made a prepayment of taxes in the amount of \$1,908,041. The

applicant proposes that the full amount be applied to land taxes and any other taxes on the property as they become due.

The phase-in of taxes on improvements is shown in the table below

Year	1	2	3	4	5	Full Tax	Totals
2013 Current Tax Rate	74.66	74.66	74.66	74.66	74.66	74.66	
Total Tax	2,855,208	2,855,208	2,855,208	2,855,208	2,855,208	2,855,208	14,276,037
Land tax	91,123	91,123	91,123	91,123	91,123	91,123	455,615
Tax on Improvements	2,764,085	2,764,085	2,764,085	2,764,085	2,764,085	2,764,085	13,820,425
Phase in %	0%	20%	40%	60%	80%	100%	
Phase in Tax	0	552,817	1,105,634	1,658,451	2,211,268	2,764,085	8,292,255
Exempted Tax	2,764,085	2,211,268	1,658,451	1,105,634	552,817	0	8,292,255
Total Tax Payable	91,123	643,940	1,196,757	1,749,574	2,302,391	2,855,208	5,983,785

The total taxes projected for the five-year term of the abatement are \$5,983,785. The total taxes exempted for the term are \$8,292,255. These estimates were based upon information provided by the Tax Assessor and reflect a modest increase in the Applicant's projections. However; they do not reflect any changes in the tax rate during the period. The actual tax would reflect any tax rate changes during the abatement.

**Morgan Street Developers U.R.
BLOCK 11608 Lot 1 QL:C000E
65 Bay Street**

Estimated

Block	Lot	QL:		Existing Assessments	New Assessments	Assessment Subject to Exemption
11608	1	C0001	Land	1,220,500	1220500	0
			Bldg		37022300	37022300
			Total		38242800	37022300

**In-Lieu of Full Property Tax Payments An Amount
Equal To A Percentage Of Taxes Otherwise Due,
According To The Following Schedule:**

Year

1	In the first full tax year after completion, no payment in lieu of taxes otherwise due;	0
2	In the second tax year, an amount not less than 20% of taxes otherwise due, estimated to be the sum of;	\$ 552,816.98
3	In the third tax year, an amount not less 40% of taxes otherwise due, estimated to be the sum of;	\$ 1,105,633.97
4	In the fourth tax year, an amount no less than 60% of taxes otherwise due, estimated to be the sum of;	\$ 1,658,450.95
5	In the fifth tax year, an amount not less than 80% of taxes otherwise due, estimated to be the sum of;	\$ 2,211,267.93

AT THE EXPIRATION OF THE EXEMPTION, THE PROJECT'S
NEW IMPROVEMENT WILL GENERATE APPROXIMATELY THE SUM OF;
Land Tax \$91,123 \$ 2,764,084.92

12/12/2013

TIER ONE (5 YEAR)
2-19-14
NJSA 40A:21-1 et seq
(Multiple Dwelling, Industrial, Commercial)

TAX AGREEMENT
FIVE YEAR/NEW CONSTRUCTION

THIS AGREEMENT made on this ____ day of _____, 2014, by and between the **CITY OF JERSEY CITY** [City], a municipal corporation organized under the Laws of the State of New Jersey and having its principal place of business at 280 Grove Street, Jersey City, New Jersey 07302, and, **MORGAN STREET DEVELOPERS URBAN RENEWAL COMPANY, LLC**, [Applicant /Owner], whose principal place of business is c/o KABR Real Estate Investment Partners II, LLC, 10 Forest Avenue, Suite 220, Paramus, NJ 07652.

WITNESSETH:

WHEREAS, the Municipal Council has indicated by its intention to utilize the five year tax exemption provisions authorized by Article VIII, Section I, paragraph VI of the NJ State Constitution and the Five Year Exemption Law, N.J.S.A. 40A:21-1 et seq. for improvements and projects by the adoption of Ordinance 05-060, as amended by Ordinance 07-146; and

WHEREAS, the Applicant is owner of certain property located at 65 Bay Street, in the City of Jersey City, County of Hudson and State of New Jersey, designated as Block _11608, Lot 1, Qualifier C000E, on the Tax Assessor's Map, more commonly known by the street address of 65 Bay Street, and more particularly described in the metes and bounds description attached hereto as Exhibit A [Property]; and

WHEREAS, on or about November 26, 2013, the Applicant applied for a five year tax exemption to construct a fifty (50) story residential tower to be known as the "East Unit", which will contain approximately four hundred forty-seven (447) rental apartments; ten thousand six hundred eleven (10,611) square feet of retail space; and one hundred forty-four (144) parking spaces on the Property [Improvements] pursuant to N.J.S.A. 40A:21-1 et seq and Section 304-12 of the Municipal Code [Law]; and

WHEREAS, construction is expected to complete within thirty (30) months from the date of adoption of this ordinance; and

WHEREAS, the City has reviewed the application, approved the construction of the Improvements and authorized the execution of a Tax Exemption Agreement by the adoption of Ordinance ____ on ____.

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants hereinafter contained, the parties hereto agree as follows:

ARTICLE I: APPROVAL OF TAX EXEMPTION

The City hereby agrees to a tax exemption for the construction of a new five year tax exemption to construct a fifty (50) story residential tower to be known as the "East Unit", which will contain approximately four hundred forty-seven (447) rental apartments; ten thousand six hundred eleven (10,611) square feet of retail space; and one hundred forty-four (144) parking spaces [Improvements] on the Property, as further described in the Application, attached hereto as Exhibit B, pursuant to the provisions of N.J.S.A. 40A:21-1 et seq. and Ordinance____ which authorized the execution of this Tax Agreement [Law], subject to the terms and conditions hereof.

ARTICLE II: IN LIEU OF TAX PAYMENTS

The Applicant agrees to make payments on the new Improvements, (separate and apart from taxes on the land and existing improvements which shall continue to be subject to conventional assessment and taxation and for which the Applicant shall receive no credit against the in lieu of tax payment) in lieu of full property tax payments according to the following schedule:

1. For the full calendar year of 2014, no payment in lieu of taxes;
2. For the full calendar year of 2015, twenty (20%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$552,817;
3. For the full calendar year of 2016, forty (40%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$1,105,634;
4. For the full calendar year of 2017, sixty (60%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$1,658,451; and
5. For the full calendar year of 2018, eighty (80%) percent of the actual taxes otherwise due, currently estimated to be the sum of \$2,211,268.

In the event a City-wide revaluation results in decrease in the amount of taxes otherwise due, payment hereunder shall be the higher of either the taxes estimated above or the amount of actual taxes after the City-wide revaluation.

ARTICLE III: APPLICATION FEE

The Applicant has paid the sum of **\$9,500** to the City as an application fee. Failure to make such payment shall cause the tax exemption to terminate.

ARTICLES IV: FEDERAL, STATE AND LOCAL LAW

The construction of the Improvements is subject to all applicable federal, State and local laws and regulations on pollution control, worker safety, discrimination in employment, housing provision, zoning, planning and building code requirements.

ARTICLE V: TERM OF EXEMPTION

The Tax Exemption granted shall be valid and effective for a period of five (5) full calendar years from the date of Substantial Completion of the Project, which shall ordinarily mean the date on which the City issues, or the Project is eligible to receive, a Certificate of Occupancy, whether temporary or final, for part or the whole of the Project. During the term of the tax exemption, the Applicant shall make an in lieu of tax payment to the City in accordance with the schedule set forth above. Prior to the commencement of the tax exemption, and upon expiration thereof, the Applicant shall pay full conventional taxes on the Improvements.

ARTICLE VI: REVALUE

The applicant has agreed that in the event the revalue results in a decrease in the amount of actual taxes otherwise due, for purposes of calculating a tax payment hereunder during the five (5) year period, the amount shall be calculated on the higher of the amount estimated hereunder or the actual taxes.

ARTICLE VII: NO COUNTY EQUALIZATION AND SCHOOL AID

Pursuant to N.J.S.A. 40A:21-11(c), the percentage, which the payment in lieu of taxes for the tax exempt property bears to the property tax which would have been paid had an exemption not been granted for the property under this Agreement, shall not be applied to the valuation of the property to determine the reduced valuation of the property to be included in the valuation of the City for determining equalization for county tax apportionment and school aid, during the term of the tax exemption agreement covering this property. At the expiration or termination of this Agreement, the reduced valuation procedure required under the Law shall no longer apply.

ARTICLE VIII: OPERATION OR DISPOSITION OF PROPERTY

If during any year prior to the termination of this Agreement, the Applicant ceases to operate or disposes of the Property, or fails to meet the conditions for qualifying for tax exemption under this Agreement or pursuant to Law, then the tax which would have otherwise been payable for each and every year, shall become due and payable from the Applicant as if no exemption had been granted. The Tax Collector shall, within 15 days thereof, notify the owner of the Property of the amount of taxes due.

However, with respect to the disposal of the property, if it is determined that the new owner will continue to use the property pursuant to the conditions which qualify the property for exemption, the tax exemption shall continue and this Agreement shall remain in full force and effect.

ARTICLE IX: AFFORDABLE HOUSING TRUST FUND CONTRIBUTION REQUIRED

A. **Contribution.** The Entity will pay the City the sum of \$686,417 or [\$1,500 per unit and \$1.50 per square foot of commercial retail space] as a contribution. The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;
- ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Tax Agreement; and
- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Tax Agreement.

ARTICLE X: TERMINATION/ELIGIBILITY FOR ADDITIONAL TAX EXEMPTION

Upon the termination of this Agreement for tax exemption, the Project shall be subject to all applicable real property taxes as provided by State Laws and Regulations and City Ordinances. However, nothing herein shall be deemed to prohibit the Project, at the termination of this Agreement, from qualifying for and receiving the full benefits of any other tax preferences allowed by law. Furthermore, nothing herein shall prohibit the Applicant from exercising any rights under any other tax provisions of State law or City Ordinances.

In the event the owner elects to terminate this tax abatement after the revalue, the owner shall pay the City the difference of 100% of the full amount of the taxes otherwise due from the 1st year of this agreement to the date of termination.

ARTICLE XI: PROJECT EMPLOYMENT AGREEMENT

In order to provide City residents and businesses with employment and other economic opportunities, the Applicant agrees to comply with the terms and conditions of the Project Employment Agreement which is attached hereto as Exhibit C.

ARTICLE XII: PROJECT LABOR AGREEMENT **(For Projects with Construction Costs Exceeding \$25 Million)**

The Entity shall execute a Project Labor Agreement as required by Ordinance 07-123 as it exists or as it may be amended from time to time.

ARTICLE XIII: NOTICES

All notices to be given with respect to this Agreement shall be in writing. Each notice shall be sent by registered or certified mail, postage prepaid, return receipt requested, to the party to be notified at the addresses set forth below or at such other address as either party may from time to time designate in writing:

Notice to City:

Business Administrator
City Hall, 280 Grove Street
Jersey City, New Jersey 07302

Notice to Applicant:

Morgan Street Developers
Urban Renewal Company, LLC
c/o KABR Real Estate Investment
Partners II, LLC
10 Forest Avenue - Suite 220
Paramus, NJ 07652

ARTICLE XIV: GENERAL PROVISIONS

This Agreement contains the entire Agreement between the parties and cannot be amended, changed or modified except by written instrument executed by the parties hereto.

In the event that any provisions or term of this Agreement shall be held invalid or unenforceable by a Court of competent jurisdiction, such holding shall not invalidate

Robert Byrne
City Clerk

City Clerk File No. Ord. 14.029

Agenda No. 3.H 1st Reading

Agenda No. _____ 2nd Reading & Final Passage



ORDINANCE OF JERSEY CITY, N.J.

COUNCIL AS A WHOLE

offered and moved adoption of the following ordinance:

CITY ORDINANCE 14.029

TITLE: ORDINANCE APPROVING A 20 YEAR TAX EXEMPTION FOR A MARKET RATE MIXED USE RENTAL PROJECT TO BE CONSTRUCTED BY SENATE PLACE URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

THE MUNICIPAL COUNCIL OF THE CITY OF JERSEY CITY DOES ORDAIN:

WHEREAS, Senate Place Urban Renewal, LLC, is an urban renewal entity, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. (Entity); and

WHEREAS, the Entity is the Contract Purchaser for certain property known as Block 7807, Lot 22, on the City's Official Tax map, and more commonly known by the street address of 25 Senate Place, and more specifically described by metes and bounds, in the application (Property); and

WHEREAS, the Property is located within an Urban Enterprise Zone as required by N.J.S.A. 40A:20-4 and N.J.S.A. 40A:12A-5(g); and

WHEREAS, the Entity has applied for a 20 year long term tax exemption to construct a new mixed use, market rate residential rental project, which will consist of five and one-half (5½) story mixed use building with approximately two hundred sixty-six (266) market rate residential rental units, five thousand five hundred sixty-seven (5,567) square feet of commercial retail space, one hundred twenty-eight (128) parking spaces, and nineteen thousand five hundred eighty-four (19,584) square feet of additional commercial parking space located in Block 7807, Lot 22 on the City's Tax Map and more commonly known as 25 Senate Place, Jersey City [Project]; and

WHEREAS, the Project received a site plan approval from the Planning Board on May 21, 2012; and

WHEREAS, Senate Place Urban Renewal, LLC, has agreed to:

1. pay the greater of (i) the Minimum Annual Service Charge or (ii) 10% of the Annual Gross Revenue each year, which sum is estimated to be \$520,369; and which shall be subject to statutory staged increases over the term of the tax exemption; and
2. pay an annual sum equal to 1% of each prior year's Annual Service Charge as an Administrative Fee; and
3. provide employment and other economic opportunities for City residents and businesses; and
4. pay to the City, for remittance to Hudson County, an amount equal to 5% of the Annual Service Charge upon receipt of that charge; and

ORDINANCE APPROVING A 20 YEAR TAX EXEMPTION FOR A MARKET RATE MIXED USE RENTAL PROJECT TO BE CONSTRUCTED BY SENATE PLACE URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

5. pay the sum of \$436,727 to the City's Affordable Housing Trust Fund; and
6. construct an early childhood education facility on the ground floor of the Project subject to approval by the Jersey City Board of Education. The Entity has agreed to complete construction and obtain all necessary approvals within thirty-six (36) months as of the date of adoption of the within Ordinance or the tax exemption will terminate, as outlined in the Financial Agreement; and

WHEREAS, the City hereby determines that the relative benefits of the project outweigh the cost of the tax exemption, for the following reasons:

1. the current real estate taxes generate revenue of only \$15,417, whereas, the Annual Service Charge as estimated, will initially generate revenue of more than \$520,369 to the City and an additional sum of approximately \$26,018 to Hudson County;
2. it is expected that the Project will create approximately 100 jobs during construction and 47 new permanent jobs;
3. the Project will stabilize and contribute to the economic growth of businesses in the surrounding area;
4. the Project will further the overall redevelopment objectives of an Urban Enterprise Zone;
5. the City's impact analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

WHEREAS, the City hereby determines that the tax exemption is important in obtaining development of the project and influencing the locational decisions of probable occupants for the following reasons:

1. the relative stability and predictability of the Annual Service Charges will make the Project more attractive to investors needed to finance the Project;
2. the relative stability and predictability of the Annual Service Charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract tenants to the Project and insure the likelihood of the success of the Project; and

WHEREAS, Senate Place Urban Renewal, LLC, has initially complied with Executive Order 2002-005 concerning "Disclosure of Lobbyist Representative Status" by filing an appropriate letter in the Office of the City Clerk.

NOW, THEREFORE, BE IT ORDAINED by the Municipal Council of the City of Jersey City that:

A. The application of Senate Place Urban Renewal, LLC, an urban renewal company, formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq. a copy of which is on file in the office of the City Clerk, for Block 7807, Lot 22, more commonly known by the street address of 25 Senate Place, more specifically described by metes and bounds in the application is hereby approved.

B. The Mayor or Business Administrator is hereby authorized to execute a tax exemption Financial Agreement and a Project Employment and Contracting Agreement. The Financial Agreement shall include at a minimum the following terms and conditions:

ORDINANCE APPROVING A 20 YEAR TAX EXEMPTION FOR A MARKET RATE MIXED USE RENTAL PROJECT TO BE CONSTRUCTED BY SENATE PLACE URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

1. Term: the earlier of 25 years from the adoption of the within Ordinance or 20 years from the date the project is Substantially Complete;
 2. Annual Service Charge: each year the greater of:
 - (a) the Minimum Annual Service Charge equal to \$520,369 upon Project Completion, whether or not the Project is occupied; or
 - (b) 10% of Annual Gross Revenue, which sum is estimated to be \$520,369, and which shall be subject to statutory increases during the term of the tax exemption.
 3. Administrative Fee: 1% of the prior year's Annual Service Charge;
 4. County Payment: 5% of the Annual Service Charge to the City for remittance by the City to Hudson County;
 5. Project: A five and one-half (5½) story mixed use building with approximately two hundred sixty-six (266) market rate residential rental units, five thousand five hundred sixty-seven (5,567) square feet of commercial retail space, one hundred twenty-eight (128) parking spaces, and nineteen thousand five hundred eighty-four (19,584) square feet of additional commercial parking space;
 6. Affordable Housing Trust Fund: \$1,500 per unit or \$399,000 and \$1.50 per square foot x 25,151 square feet (5,567+19,584) or \$37,727, for a total of \$436,727;
 7. An obligation to construct an early childhood education facility on the ground floor of the Project subject to approval by the Jersey City Board of Education. This Tax Exemption will terminate if construction of the early childhood education facility is not completed and all necessary approvals for use and operation have not been secured within thirty-six (36) months after adoption of the within Ordinance. The Entity shall maintain the early childhood education facility as a school for the duration of the term of this Tax Exemption as set forth in this Financial Agreement. If at any point the Entity ceases to use, offer or maintain the Early Childhood Education Center, the Tax Exemption shall terminate;
 8. An obligation to execute a Project Employment and Contracting Agreement to insure employment and other economic benefits to City residents and businesses; and
 9. This Ordinance will sunset and the Tax Exemption will terminate unless construction of the Project begins within two (2) years of the date of the adoption of the within Ordinance.
- C. The City Clerk shall deliver a certified copy of the Ordinance and Financial Agreement to the Tax Assessor and Director of the Division of Local Government Services.
- D. The application is on file with the office of the City Clerk. The Financial Agreement and Project Employment and Contracting Agreement shall be in substantially the form on file in the Office of the City Clerk, subject to such modification as the Business Administrator or Corporation Counsel deems appropriate or necessary.
- E. All ordinances and parts of ordinances inconsistent herewith are hereby repealed.
- F. This ordinance shall be part of the Jersey City Code as though codified and fully set forth therein. The City Clerk shall have this ordinance codified and incorporated in the official copies of the Jersey City Code.

ORDINANCE APPROVING A 20 YEAR TAX EXEMPTION FOR A MARKET RATE MIXED USE RENTAL PROJECT TO BE CONSTRUCTED BY SENATE PLACE URBAN RENEWAL, LLC, AN URBAN RENEWAL ENTITY, PURSUANT TO THE LONG TERM TAX EXEMPTION LAW N.J.S.A. 40A:20-1 ET SEQ.

G. This ordinance shall take effect at the time and in the manner provided by law.

H. The City Clerk and Corporation Counsel be and they are hereby authorized and directed to change any chapter numbers, article numbers and section numbers in the event that the codification of this ordinance reveals that there is a conflict between those numbers and the existing code, in order to avoid confusion and possible accidental repealers of existing provisions.

NOTE: All material is new; therefore underlining has been omitted.
For purposes of advertising only, new matter is indicated by **bold face**
and repealed matter by *italic*.

DJ/he
2/19/14

APPROVED AS TO LEGAL FORM



Corporation Counsel

Certification Required ☐
Not Required ☐

APPROVED: _____

APPROVED: 

Business Administrator

RESOLUTION FACT SHEET – NON-CONTRACTUAL

This summary sheet is to be attached to the front of any resolution that is submitted for Council consideration. Incomplete or vague fact sheets will be returned with the resolution.

Full Title of Ordinance/Resolution

Ordinance Approving a 20 Year Tax Exemption for a Market Rate Mixed Use Rental Project To Be Constructed by Senate Place Urban Renewal, Llc, an Urban Renewal Entity, Pursuant to the Long Term Tax Exemption Law N.J.S.A. 40a:20-1 et seq.

Initiator

Department/Division	Law Department	Law Department
Name/Title	Diana Jeffrey	Asst. Corporation Counsel
Phone/email	(201) 547-4797	DJeffrey@jcnj.org

Note: Initiator must be available by phone during agenda meeting (Wednesday prior to council meeting @ 4:00 p.m.)

Resolution Purpose

Senate Place Urban Renewal, LLC, is the Contract Purchaser for certain property known as Block 7807, Lot 22, on the City's Official Tax map, and more commonly known by the street address of 25 Senate Place, Jersey City, NJ.

The Entity has applied for a 20 year long term tax exemption to construct a new mixed use, market rate residential rental project, which will consist of five and one-half (5½) story mixed use building with approximately two hundred sixty-six (266) market rate residential rental units, five thousand five hundred sixty-seven (5,567) square feet of commercial retail space, one hundred twenty-eight (128) parking spaces, and nineteen thousand five hundred eighty-four (19,584) square feet of additional commercial parking space.

I certify that all the facts presented herein are accurate.


Signature of Department Director

2/19/14
Date

FINAL DRAFT FOR LEGAL REVIEW

DATE: February 18, 2014

TO: Diana Jeffrey (For distribution to City Council and City Clerk)

FROM: Ernest Borja, Tax Collector's Office

SUBJECT: TWENTY-YEAR TAX ABATEMENT APPLICATION: MIXED USE
RENTAL PROJECT- Senate Place, Urban Renewal LLC, - 25 Senate
Place Block 7807, Lot 22

CC: M. Cosgrove, J. Monahan

INTRODUCTION:

The applicant, Senate Place, Urban Renewal LLC, is applying for a twenty (20) year tax abatement under N.J.S.A. 40 A: 20-1 et seq. It is a five and one half (5 ½) story mixed use rental project within the Marion Works Office/Residential District. The application fee of \$9,500 was paid. An outstanding tax lien was redeemed on January 16, 2014.

LOCATION OF THE PROPERTY:

The property is located at Senate Place and Van Winkle Avenue known as 25 Senate Place. It is Block 7807 Lot 22. The property is in an Urban Enterprise Zone.

PROPERTY TO BE CONSTRUCTED:

The project is a mixed-use five and one half (5½) story rental building with two hundred sixty-six (266) residential units, approximately 5,000 square feet of retail/commercial space and 128 parking spaces.

ESTIMATED TOTAL CONSTRUCTION COST:

The cost of construction is estimated at \$22,646,614.

CONSTRUCTION SCHEDULE:

Construction is to begin immediately after approval of this application. Completion is anticipated within eighteen (18) months of start date.

ESTIMATED JOBS CREATED:

The applicant estimates creation of one hundred (100) jobs during Construction and approximately forty-seven (47) permanent jobs after construction. The

FINAL DRAFT FOR LEGAL REVIEW

permanent jobs include eleven (11) jobs for a proposed early childhood educational facility. The applicant will execute a Project Employment and Contracting Agreement. However; based upon the estimated construction cost, a Project Labor Agreement is not required.

AFFORDABLE HOUSING TRUST FUND CONTRIBUTIONS:

The applicant proposes an AHTF contribution of \$435,876. At the rate of \$1,500 per residential unit for two hundred sixty-six (266) units, \$1.50 per square foot for 5,000 SF of retail space, and \$1.50 per square foot for 19,584 SF of revenue generating parking.

CURRENT REAL ESTATE TAXES:

The applicant estimates the land tax for 2013 at \$15,417. Only the Tax Assessor can determine the actual assessment for the property. A tax lien was sold on December 19, 2013. It was redeemed on January 16, 2014. A tax payment of \$3,854.33 is due on February 1, 2014 and was paid on February 7, 2014.

PROPOSED ABATEMENT:

The property is in Tier II of the Tax Abatement Policy Map. The Applicant is proposing to include an early childhood educational facility, with approval by the Jersey City Board of Education on the first floor of the project to move into Tier III. As an alternative, the Applicant has proposed paying 1.5% of actual construction costs, an element of total project costs, as a bond in the event that approvals for the early childhood education facility cannot be obtained.

The applicant has requested a term of the lesser of twenty-five (25) years from the date of approval of an ordinance approving the abatement or twenty (20) years from substantial completion of the project. The Applicant proposes an annual service charge based upon ten percent (10%) of gross revenue. In addition the Applicant would pay an annual service Charge to Hudson County based upon five percent (5%) of the service charge and an administrative fee to the City of one percent (1%).

The Applicant proposes no staged adjustments until year fifteen (15). The Minimum annual service charge will be determined once the Tax Assessor establishes the land assessment. The applicant proposes an eighteen (18) month lease-up period. Both the staging an lease up period should be amended

PROPOSED REVENUE TO THE CITY:

At full occupancy the estimated annual revenue is \$ 5,203,685. The proposed market rents used for the revenue estimates seem to be reasonable. The Annual Service charge at the rate of ten percent (10%) is \$520,369. The City

FINAL DRAFT FOR LEGAL REVIEW

Administrative fee at one percent (1%) would be \$5,204 and the Hudson County fee of five percent (5%) would be \$26,018. See table below:

			Total	Total
	Units	Rent	Monthly	Annual
Studio	63	\$1,295	\$81,585	\$979,020
One Br	75	\$1,575	\$118,125	\$1,417,500
Suites	10	\$1,795	\$17,950	\$215,400
One Br + Den	51	\$1,445	\$73,695	\$884,340
Duplex 1BR + Terrace	21	\$1,850	\$38,850	\$466,200
Duplex 1BR + Terrace + Den	17	\$1,925	\$32,725	\$392,700
Duplex 2BR + Terrace	25	\$1,995	\$49,875	\$598,500
Duplex 2BR + Terrace + Den	4	\$2,495	\$9,980	\$119,760
	266		\$422,785	\$5,073,420
Retail Income				\$75,204
Parking Income				\$216,000
Sub Total				\$5,364,624
Vacancy (3%)				(\$160,939)
Total Gross Revenue				\$5,203,685
PILOT	10%			\$520,369
Hudson County Fee	5%			\$26,018
Jersey City Admin. Fee	1%			\$5,204

Re: 25 Senate Place
Approximately Acres
Block 7807, Lot 22
An Urban Enterprise Zone

PREAMBLE

THIS FINANCIAL AGREEMENT, [Agreement] is made the _____ day of __, 20__ by and between **SENATE PLACE URBAN RENEWAL, LLC**, an urban renewal entity formed and qualified to do business under the provisions of the Long Term Tax Exemption Law of 1992, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., having its principal office at 30 Montgomery Street, 13th Floor, Jersey City, NJ 07302 [Entity], and the **CITY OF JERSEY CITY**, a Municipal Corporation of the State of New Jersey, having its principal office at 280 Grove Street, Jersey City, New Jersey 07302 [City].

RECITALS

WITNESSETH:

WHEREAS, the Entity is the Owner pursuant to Deed dated December 20, 2012, of certain property designated as Block 7807, Lot 22, more commonly known by the street address of 25 Senate Place, Jersey City, and more particularly described by the metes and bounds description set forth as Exhibit 1 to this Agreement; and

WHEREAS, this property is located within the boundaries of an Urban Enterprise Zone]; and

WHEREAS, the Entity plans to construct a five and one-half (5½) story mixed use building with approximately two hundred sixty-six (266) market rate residential rental units, five thousand five hundred sixty-seven (5,567) square feet of commercial retail space, one hundred twenty-eight (128) parking spaces, and nineteen thousand five hundred eighty-four (19,584) square feet of additional commercial parking space; [Project]; and

WHEREAS, on May 21, 2012, the Project received site plan approval from the Planning

Board; and

WHEREAS, on December 11, 2013, the Entity filed an Application with the City for a long term tax exemption for the Project; and

WHEREAS, by the adoption of Ordinance _____ on _____, 2014, the Municipal Council approved a long term tax exemption for the Project and authorized the execution of a Financial Agreement; and

WHEREAS, the City made the following findings:

A. Relative Benefits of the Project when compared to the costs:

1. the current real estate tax generates revenue of only \$15,417, whereas, the Annual Service charge as estimated, will generate revenue to the City of approximately \$520,369;
2. the Entity has paid the City the sum of \$436,727, and will pay the balance of \$ _____ as an affordable housing contribution pursuant to Ordinance 03-112;
3. it is expected that the Project will create approximately 100 new construction jobs and 47 new permanent full time jobs;
4. the project should stabilize and contribute to the economic growth of existing local business and to the creation of new businesses, which cater to the new occupants;
5. the Project will further the objectives of the Marion Works Office Residential District, and will include the development of vacant property;
6. the City's Impact Analysis, on file with the Office of the City Clerk, indicates that the benefits of the Project outweigh the costs to the City; and

B. Assessment of the Importance of the Tax Exemption in obtaining development of the project and influencing the locational decisions of probable occupants:

1. the relative stability and predictability of the annual service charges will make the Project more attractive to investors and lenders needed to finance the Project; and
2. the relative stability and predictability of the service charges will allow the owner to stabilize its operating budget, allowing a high level of maintenance to the building over the life of the Project, which will attract occupants to the

Project, insure the likelihood of stabilized rents to tenants and the success of the Project; and

3. have a positive impact on the surrounding area.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, it is mutually covenanted and agreed as follows:

ARTICLE I - GENERAL PROVISIONS

Section 1.1 Governing Law

This Agreement shall be governed by the provisions of the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1 et seq., Executive Order of the Mayor 2013-004, Disclosure of Lobbyist Status, Ordinance 02-075, and Ordinance _____, which authorized the execution of this Agreement. It being expressly understood and agreed that the City expressly relies upon the facts, data, and representations contained in the Application, attached hereto as Exhibit 3, in granting this tax exemption.

Section 1.2 General Definitions

Unless specifically provided otherwise or the context otherwise requires, when used in this Agreement, the following terms shall have the following meanings:

- i. Allowable Net Profit- The amount arrived at by applying the Allowable Profit Rate to Total Project Cost pursuant to N.J.S.A. 40A:20-3(c).
- ii. Allowable Profit Rate - The greater of 12% or the percentage per annum arrived at by adding 1.25% to the annual interest percentage rate payable on the Entity's initial permanent mortgage financing. If the initial permanent mortgage is insured or guaranteed by a governmental agency, the mortgage insurance premium or similar charge, if payable on a per annum basis, shall be considered as interest for this purpose. If there is no permanent mortgage financing, or if the financing is internal or undertaken by a related party, the Allowable Profit Rate shall be the greater of 12% or the percentage per annum arrived at by adding 1.25% per annum to the interest rate per annum which the municipality determines to be the prevailing rate on mortgage financing on comparable improvements in Hudson County. The provisions of N.J.S.A. 40A:20-3(b) are incorporated herein by reference.
- iii. Annual Gross Revenue - Any and all revenue derived from or generated by the Project

of whatever kind or amount, whether received as rent from any tenants or income or fees from third parties, including but not limited to fees or income paid or received for parking, or as user fees or for any other services. No deductions will be allowed for operating or maintenance costs, including, but not limited to gas, electric, water and sewer, other utilities, garbage removal and insurance charges, whether paid for by the landlord, tenant or a third party.

Annual Gross Revenue for Condominium - The amount equal to the annual aggregate constant payments of principal and interest, assuming a purchase money mortgage encumbering the condominium unit to have been in an original amount equal to the initial value of the unit with its appurtenant interest in the common elements as stated in the master deed, if unsold by the urban renewal entity, or, if the unit is held by a unit purchaser, from time to time, the most recent true consideration paid for a deed to the condominium unit in a bona fide arm's length sale transaction, but not less than the initial assessed valuation of the condominium unit assessed at 100% of the true value, plus the total amount of common expenses charged to the unit pursuant to the by laws of the condominium association. The constant payments to principal and interest shall be calculated by assuming a loan amount as stated above at the prevailing lawful interest rate for mortgage financing on comparable properties within the municipality as of the date of the recording of the unit deed, for a term equal to the full term of the exemption from taxation stipulated in this Agreement; and provided further that any gain realized by the Entity on the sale of any unit in fee simple, whether or not taxable under Federal or State law, shall not be included in computing gross revenue.

iv. Annual Service Charge - The amount the Entity has agreed to pay the City each year for municipal services supplied to the Project, which sum is in lieu of any taxes on the Improvements, pursuant to N.J.S.A. 40A:20-12. It shall include a payment for all annual excess profit.

v. Auditor's Report - A complete annual financial statement outlining the financial status of the Project, which shall also include a certification of Total Project Cost and clear computation of the annual Net Profit. The contents of the Auditor's Report shall have been prepared in conformity with generally accepted accounting principles and shall contain at a minimum the following: a balance sheet, a statement of income, a statement of retained earnings or changes in stockholders' equity, a statement of cash flows, descriptions of accounting policies, notes to financial statements and appropriate schedules and explanatory material results of operations, cash flows and any other

items required by Law. The Auditor's Report shall be certified as to its conformance with such principles by a certified public accountant who is licensed to practice that profession in the State of New Jersey.

vi. Certificate of Occupancy - A document, whether temporary or permanent, issued by the City authorizing occupancy of a building, in whole or in part, pursuant to N.J.S.A. 52:27D-133.

vii. Debt Service - The amount required to make annual payments of principal and interest or the equivalent thereof on any construction mortgage, permanent mortgage or other financing including returns on institutional equity financing and market rate related party debt for the Project for a period equal to the term of this Agreement.

viii. Default - Shall be a breach of or the failure of the Entity to perform any obligation imposed upon the Entity by the terms of this Agreement, or under the Law, beyond any applicable grace or cure periods.

ix. Entity - The term Entity within this Agreement shall mean Senate Place Urban Renewal, LLC, which Entity is formed and qualified pursuant to N.J.S.A. 40A:20-5. It shall also include any subsequent purchasers or successors in interest of the Project, provided they are formed and operate under the Law.

x. Improvements or Project - Any building, structure or fixture permanently affixed to the land and to be constructed and tax exempted under this Agreement.

xi. In Rem Tax Foreclosure or Tax Foreclosure - A summary proceeding by which the City may enforce a lien for taxes due and owing by tax sale, under N.J.S.A. 54:5-1 to 54:5-129 et seq.

xii. Land Taxes - The amount of taxes assessed on the value of land, on which the project is located and, if applicable, taxes on any pre-existing improvements. Land Taxes are not exempt; however, Land Taxes are applied as a credit against the Annual Service Charge.

xiii. Land Tax Payments - Payments made on the quarterly due dates, including approved grace periods if any, for Land Taxes as determined by the Tax Assessor and the Tax Collector.

xiv. Law - Law shall refer to the Long Term Tax Exemption Law, as amended and supplemented, N.J.S.A. 40A:20-1, et seq.; Executive Order of the Mayor 13-004, relating to long term tax exemption, as it may be supplemented; Ordinance 02-075 requiring Disclosure of Lobbyist

Status and Ordinance _____, which authorized the execution of this Agreement and all other relevant Federal, State or City statutes, ordinances, resolutions, rules and regulations.

xv. Lease Up Period - Shall begin twelve months following Substantial Completion of the Project (Lease Up Date). During the Lease Up Period, the Entity shall pay the sum equal to the Minimum Annual Service Charge unless fully leased. The Lease Up Period for the Project expires 12 calendar months after the commencement of the Lease Up Date.

xvi. Minimum Annual Service Charge - The Minimum Annual Service Charge shall be the greater of: (a) the amount of the total taxes levied against all real property in the area covered by the Project in the last full tax year in which the area was subject to taxation, which amount the parties agree is \$15,417.29; (b) the sum of \$520,369 per year, which sum is equal to the estimated Annual Service Charge will be due 12 months following Substantial Completion of the Project [during Lease Up Period, if applicable], and in the years in which Substantial Completion occurs and this Agreement terminates [Minimum Annual Service Charge for condominium is based on initial assessed value].

Following Substantial Completion, the Minimum Annual Service Charge set forth in subsection (b) shall be paid in each year in which the Annual Service Charge, calculated pursuant to N.J.S.A. 40A:20-12 or this Agreement, would be less than the Minimum Annual Service Charge.

xvii. Net Profit - The Annual Gross Revenues of the Entity less all annual operating and non-operating expenses of the Entity, all determined in accordance with generally accepted accounting principles, but:

(1) there shall be included in expenses: (a) all Annual Service charges paid pursuant to N.J.S.A. 40A:20-12; (b) all annual payments to the City of excess profits pursuant to N.J.S.A. 40A:20-15 or N.J.S.A. 40A:20-16; (c) an annual amount sufficient to amortize (utilizing the straight line method-equal annual amounts) the Total Project Cost and all capital costs determined in accordance with generally accepted accounting principles, of any other entity whose revenue is included in the computation of excess profits over the term of this agreement; (d) all reasonable annual operating expenses of the Entity and any other entity whose revenue is included in the computation of excess profits including the cost of all management fees, brokerage commissions, insurance premiums, all taxes or service charges paid, legal, accounting, or other professional service

fees, utilities, building maintenance costs, building and office supplies and payments into repair or maintenance reserve accounts; (e) all payments of rent including but not limited to ground rent by the Entity; (f) all debt service; and

(2) there shall not be included in expenses either depreciation or obsolescence, interest on debt, except interest which is part of debt service, income taxes or salaries, bonuses or other compensation paid, directly or indirectly to directors, officers and stockholders of the entity, or officers, partners or other persons holding a proprietary ownership interest in the entity.

xviii. Pronouns - He or it shall mean the masculine, feminine or neuter gender, the singular, as well as the plural, as context requires.

xix. Substantial Completion - The determination by the City that the Project, in whole or in part, is ready for the use intended, which ordinarily shall mean the first date on which the Project receives, or is eligible to receive, any Certificate of Occupancy whether temporary or permanent for any portion of the Project.

xx. Termination - Any act or omission which by operation of the terms of this Financial Agreement shall cause the Entity to relinquish its tax exemption.

xxi. Total Project Cost - The total cost of constructing the Project through the date a Certificate(s) of Occupancy is issued for the entire Project, which categories of cost are set forth in N.J.S.A. 40A:20-3(h). There shall be excluded from Total Project Cost the actual costs incurred by the Entity and certified by an independent and qualified architect or engineer, which are associated with site remediation and cleanup of environmentally hazardous materials or contaminants in accordance with State or Federal law and any extraordinary costs incurred including the cost of demolishing structures, relocation or removal of public utilities, cost of relocating displaced residents or buildings and the clearing of title. If the Service Charge is a percentage of Total Project Cost, then the Entity agrees that final Total Project Cost shall not be less than its estimated Total Project Cost.

ARTICLE II - APPROVAL

Section 2.1 Approval of Tax Exemption

The City hereby grants its approval for a tax exemption for all the Improvements to be constructed and maintained in accordance with the terms and conditions of this Agreement and the provisions of the Law which Improvements shall be constructed on certain property known on the

Official Tax Assessor's Map of the City as: Block 7807, Lot 22, more commonly known by the street address 25 Senate Place, Jersey City, and described by metes and bounds in Exhibit 1 attached hereto.

Section 2.2 Approval of Entity

Approval is granted to the Entity whose Certificate of Formation is attached hereto as Exhibit 4. Entity represents that its Certificate contains all the requisite provisions of the Law; has been reviewed and approved by the Commissioner of the Department of Community Affairs; and has been filed with, as appropriate, the Office of the State Treasurer or Office of the Hudson County Clerk, all in accordance with N.J.S.A. 40A:20-5.

Section 2.3 Improvements to be Constructed

Entity represents that it will construct a five and one-half (5½) story mixed use building with approximately two hundred sixty-six (266) market rate residential rental units, five thousand five hundred sixty-seven (5,567) square feet of commercial retail space, one hundred twenty-eight (128) parking spaces, and nineteen thousand five hundred eighty-four (19,584) square feet of additional commercial parking space; all of which is specifically described in the Application attached hereto as Exhibit 3.

Section 2.4 Construction Schedule

The Entity agrees to diligently undertake to commence construction and complete the Project in accordance with the Estimated Construction Schedule, attached hereto as Exhibit 5, and in compliance with any Redevelopment Agreement.

Section 2.5 Ownership, Management and Control

The Entity represents that it is the owner of the property upon which the Project is to be constructed. Upon construction, the Entity represents that the Improvements will be used, managed and controlled for the purposes set forth in this Agreement and any Redevelopment Agreement.

Section 2.6 Financial Plan

The Entity represents that the Improvements shall be financed in accordance with the Financial Plan attached hereto as Exhibit 6. The Plan sets forth a good faith estimate of Total Project Cost, the amortization rate on the Total Project Cost, the source of funds, the interest rates to be paid on construction financing, the source and amount of paid-in capital, and the terms of any

mortgage amortization.

Section 2.7 Good Faith Estimate of Initial Rents

The Entity represents that its good faith projections of the initial rents and other revenue to the Project are set forth in Exhibit 7.

ARTICLE III - DURATION OF AGREEMENT

Section 3.1 Term

So long as there is compliance with the Law and this Agreement, it is understood and agreed by the parties hereto that this Agreement shall remain in effect for the earlier of 25 years from the date of the adoption of Ordinance _____ on _____, 2014, which approved the tax exemption or 20 years from the original date of Substantial Completion of the Project or ____20____. The tax exemption shall only be effective during the period of usefulness of the Project and shall continue in force only while the Project is owned by a corporation or association formed and operating under the Law.

ARTICLE IV - ANNUAL SERVICE CHARGE

Section 4.1 Annual Service Charge

In consideration of the tax exemption, the Entity shall make the following annual payments to the City for services provided to the Project:

- i. City Service Charge: an amount equal to the greater of: the Minimum Annual Service Charge or an Annual Service Charge equal to 10% of the Annual Gross Revenue. The Annual Service Charge shall be billed initially based upon the Entity's estimates of Annual Gross Revenue, attached hereto as Exhibit 6. Thereafter, the Annual Service Charge shall be adjusted in accordance with this Agreement.
- ii. County Service Charge: an amount equal to 5% of the Municipal Annual Service Charge shall be paid to the City and remitted by the City to the County.
- iii. The Minimum Annual Service Charge pursuant to Section 1.2xv(a) shall be due beginning on the effective date of this Agreement. The Minimum Annual Service Charge pursuant to Section 1.2xv(b) shall be due 12 months following Substantial Completion of the Project. The City Service Charge and the County Annual Service Charge shall be due on the first day of the month following the Substantial Completion of the Project. In the event the Entity fails to timely

pay the Minimum Annual Service Charge or the Annual Service Charge, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on land until paid.

Section 4.2 Staged Adjustments

The Annual Service Charge shall be adjusted, in Stages over the term of the tax exemption in accordance with N.J.S.A. 40A:20-12(b) as follows:

- i. Stage One: From the 1st day of the month following Substantial Completion until the last day of the 6th year, the Annual Service Charge shall be 10% of Annual Gross Revenue;
- ii. Stage Two: Beginning on the 1st day of the 6th year following Substantial Completion until the last day of the 7th year, an amount equal to the greater of the Annual Service Charge or 20% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;
- iii. Stage Three: Beginning on the 1st day of the 8th year following the Substantial Completion until the last day of the 10th year, an amount equal to the greater of the Annual Service Charge or 40% of the amount of the taxes otherwise due on the assessed value of the land and Improvements;
- iv. Stage Four: Beginning on the 1st day of the 10th year following Substantial Completion until the last day of the 12th year, an amount equal to the greater of the Annual Service Charge or 60% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.
- v. Final Stage: Beginning on the 1st day of the 13th year following Substantial Completion through the date the tax exemption expires, an amount equal to the greater of the Annual Service Charge or 80% of the amount of the taxes otherwise due on the assessed value of the land and Improvements.

Section 4.3 Land Tax

The Entity is required to pay both the Annual Service Charge and the Land Tax Payments. The Entity is obligated to make timely Land Tax Payments, including any tax on the pre-existing improvements, in order to be entitled to a Land Tax credit against the Annual Service Charge for the subsequent year. The Entity shall be entitled to credit for the amount, without interest, of the Land Tax Payments made in the last four preceding quarterly installments against the Annual Service Charge. In any quarter that the Entity fails to make any Land Tax Payments when due and owing,

such delinquency shall render the Entity ineligible for any Land Tax Payment credit against the Annual Service Charge. No credit will be applied against the Annual Service Charge for a partial payment of Land Taxes. In addition, the City shall have, among this remedy and other remedies, the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. and/or declare a Default and terminate this Agreement.

Section 4.4 Quarterly Installments / Interest

The Entity expressly agrees that the Annual Service Charge shall be made in quarterly installments on those dates when real estate tax payments are due; subject, nevertheless, to adjustment for over or underpayment within thirty (30) days after the close of each calendar year. In the event that the Entity fails to pay the Annual Service Charge or any other charge due under this agreement, the unpaid amount shall bear the highest rate of interest permitted in the case of unpaid taxes or tax liens on the land until paid in full.

Section 4.5 Administrative Fee

The Entity shall also pay an annual Administrative Fee to the City in addition to the Annual Service Charge and Land Tax levy. The Administrative Fee shall be calculated as one (1%) percent of each prior year's Annual Service Charge. This fee shall be payable and due on or before December 31st of each year, and collected in the same manner as the Annual Service Charge.

Section 4.6 Affordable Housing Contribution and Remedies

A. **Contribution.** The Entity will pay the City the sum of \$436,727 or [\$1,500 per unit and \$1.50 per square foot of commercial retail and commercial parking space] as a contribution.

The sum shall be due and payable as follows:

- i. 1/3 on or before the effective adoption date of the Ordinance approving the tax exemption;
- ii. 1/3 on or before the issuance of the first of any construction permit for the Project, but no later than six months after the date of the Financial Agreement; and
- iii. 1/3 on or before the date the first of any Certificate of Occupancy is issued for the Project, but no later than twenty-four (24) months after the date of the Financial Agreement.

Section 4.7 Material Conditions

It is expressly agreed and understood that the timely payments of Land Taxes, Minimum Annual Service Charges, Annual Service Charges, including Annual Net Profits and any adjustments

thereto, Administrative Fees, Affordable Housing Contributions, and any interest thereon, are Material Conditions of this Agreement.

Section 4.8 Additional Material Conditions

The Entity agrees to construct an early childhood education facility on the ground floor of the Project subject to approval by the Jersey City Board of Education. This Tax Exemption will terminate if construction of the early childhood education facility is not completed and all necessary approvals for use and operation have not been secured within thirty-six (36) months after adoption of the within Ordinance. The Entity shall maintain the early childhood education facility as a school for the duration of the term of this Tax Exemption as set forth in this Financial Agreement. If at any point the Entity ceases to use, offer or maintain the Early Childhood Education Center, the Tax Exemption shall terminate.

ARTICLE V - PROJECT EMPLOYMENT AND CONTRACTING AGREEMENT

Section 5.1 Project Employment and Contracting Agreement

In order to provide City residents and businesses with certain employment and other economic related opportunities, the Entity is subject to the terms and conditions of the Project Employment and Contracting Agreement, attached hereto as Exhibit 8.

ARTICLE VI - CERTIFICATE OF OCCUPANCY

Section 6.1 Certificate of Occupancy

It is understood and agreed that it shall be the obligation of the Entity to obtain all Certificates of Occupancy in a timely manner so as to complete construction in accordance with the proposed construction schedule attached hereto as Exhibit 5. The failure to secure the Certificates of Occupancy shall subject the Property to full taxation for the period between the date of Substantial Completion and the date the Certificate of Occupancy is obtained.

Section 6.2 Filing of Certificate of Occupancy

It shall be the primary responsibility of the Entity to forthwith file with both the Tax Assessor and the Tax Collector a copy of each Certificate of Occupancy.

Failure of the Entity to file such issued Certificate of Occupancy as required by the preceding paragraph, shall not militate against any action or non-action, taken by the City, including, if appropriate retroactive billing with interest for any charges determined to be due, in the absence of

such filing by the Entity.

Section 6.3 Construction Permits

The estimated cost basis disclosed by the Entity's application and proposed Financial Agreement may, at the option of the City, be used as the basis for the construction cost in the issuance of any construction permit for the Project.

ARTICLE VII - ANNUAL REPORTS

Section 7.1 Accounting System

The Entity agrees to maintain a system of accounting and internal controls established and administered in accordance with generally accepted accounting principles.

Section 7.2 Periodic Reports

A. Auditor's Report: Within ninety (90) days after the close of each fiscal or calendar year, depending on the Entity's accounting basis that the Agreement shall continue in effect, the Entity shall submit to the Mayor and Municipal Council and the NJ Division of Local Government Services in the Department of Community Affairs, its Auditor's Report for the preceding fiscal or calendar year. The Auditor's Report shall include, but not be limited to gross revenue, and the terms and interest rate on any mortgage(s) associated with the purchase or construction of the Project and such details as may relate to the financial affairs of the Entity and to its operation and performance hereunder, pursuant to the Law and this Agreement. The Report shall clearly identify and calculate the Net Profit for the Entity during the previous year, the excess of which shall be paid to the City each year an excess profit is generated.

B. Total Project Cost Audit: Within ninety (90) days after Substantial Completion of the Project, the Entity shall submit to the Mayor, Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, an audit of Total Project Cost, including but not limited to an audit of actual construction costs as certified by the Project architect.

C. Disclosure Statement: On the anniversary date of the execution of this Agreement, and each and every year thereafter while this agreement is in effect, the Entity shall submit to the Municipal Council, the Tax Collector and the City Clerk, who shall advise those municipal officials required to be advised, a Disclosure Statement listing the persons having an ownership interest in

the Project, and the extent of the ownership interest of each and such additional information as the City may request from time to time. All disclosures shall include ownership interests of the individual persons owning any corporate interest in the Entity.

Section 7.3 Inspection/Audit

The Entity shall permit the inspection of its property, equipment, buildings and other facilities of the Project and, if deemed appropriate or necessary, any other related Entity by representatives duly authorized by the City or the NJ Division of Local Government Services in the Department of Community Affairs. It shall also permit, upon request, examination and audit of its books, contracts, records, documents and papers. Such examination or audit shall be made during the reasonable hours of the business day, in the presence of an officer or agent designated by the Entity for any year during which the tax exemption financial agreement was in full force and effect.

All costs incurred by the City to conduct a review of the Entity's audits, including reasonable attorneys' fees if appropriate, shall be billed to the Entity and paid to the City as part of the Entity's Annual Service Charge. Delinquent payments shall accrue interest at the same rate as for a delinquent service charge.

ARTICLE VIII- LIMITATION OF PROFITS AND RESERVES

Section 8.1 Limitation of Profits and Reserves

During the period of tax exemption as provided herein, the Entity shall be subject to a limitation of its profits pursuant to the provisions of N.J.S.A. 40A:20-15.

The Entity shall have the right to establish a reserve against vacancies, unpaid rentals, and reasonable contingencies in an amount equal to five (5%) percent of the Gross Revenue of the Entity for the last full fiscal year preceding the year and may retain such part of the Excess Net Profits as is necessary to eliminate a deficiency in that reserve, as provided in N.J.S.A. 40A:20-15. The reserve is to be non-cumulative, it being intended that no further credits thereto shall be permitted after the reserve shall have attained the allowable level of five (5%) percent of the preceding year's Gross Revenue.

Section 8.2 Annual Payment of Excess Net Profit

In the event the Net Profits of the Entity, in any year, exceeds the Allowable Net Profits for such year, then the Entity, within one hundred and twenty (120) days after the end of the year, shall

pay such excess Net Profits to the City as an additional annual service charge; provided, however, that the Entity may maintain a reserve as determined pursuant to aforementioned paragraph 8.1. The calculation of the Entity's Excess Net Profits shall include those project costs directly attributable to site remediation and cleanup expenses and any other costs excluded in the definition of Total Project Cost in Section 1.2 (xx) of this Agreement even though those costs may have been deducted from the project costs for purposes of calculating the annual service charge.

Section 8.3 Payment of Reserve/ Excess Net Profit Upon Termination, Expiration or Sale

The date of termination, expiration or sale shall be considered to be the close of the fiscal year of the Entity. Within ninety (90) days after such date, the Entity shall pay to the City the amount of the reserve, if any, maintained by it pursuant to this section and the balance of the Excess Net Profit, if any.

ARTICLE IX - ASSIGNMENT AND/OR ASSUMPTION

Section 9.1 Approval of Sale

Any sale or transfer of the Project, shall be void unless approved in advance by Ordinance of the Municipal Council. It is understood and agreed that the City, on written application by the Entity, will not unreasonably withhold its consent to a sale of the Project and the transfer of this Agreement provided 1) the new Entity does not own any other Project subject to long term tax exemption at the time of transfer; 2) the new Entity is formed and eligible to operate under the Law; 3) the Entity is not then in default of this Agreement or the Law; 4) the Entity's obligations under this Agreement are fully assumed by the new Entity; 5) the Entity pays in full the maximum transfer fee, 2% of the Annual Service Charge, as permitted by N.J.S.A. 40A:20-10(d); and 6) as to projects that are not Substantially Complete, the Entity is comprised of principals possessing substantially the same or better financial qualifications and credit worthiness as the Entity.

Nothing herein shall prohibit any transfer of the ownership interest in the Entity itself provided that the transfer, if greater than 10%, is disclosed to the City in the annual disclosure statement or in correspondence sent to the City in advance of the filing of the annual disclosure statement.

Section 9.2 Transfer Application Fee

Where the consent or approval of the City is sought for approval of a change in ownership

or sale or transfer of the Project, the Entity shall be required to pay to the City a new tax exemption application fee for the legal and administrative services of the City, as it relates to the review, preparation and/or submission of documents to the Municipal Council for appropriate action on the requested assignment. The fee shall be non-refundable.

ARTICLE X - COMPLIANCE

Section 10.1 Operation

During the term of this Agreement, the Project shall be maintained and operated in accordance with the provisions of the Law. Operation of Project under this Agreement shall not only be terminable as provided by N.J.S.A. 40A:20-1, et seq., as amended and supplemented, but also by a Default under this Agreement. The Entity's failure to comply with the Law shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

Section 10.2 Disclosure of Lobbyist Representative

During the term of this Agreement, the Entity must comply with Executive Order 2002-005, and Ordinance 02-075, requiring Written Disclosure of Lobbyist Representative Status. The Entity's failure to comply with the Executive Order or the Ordinance shall constitute a Default under this Agreement and the City shall, among its other remedies, have the right to terminate the tax exemption.

ARTICLE XI - DEFAULT

Section 11.1 Default

Default shall be failure of the Entity to conform with the terms of this Agreement or failure of the Entity to perform any obligation imposed by the Law, beyond any applicable notice, cure or grace period.

Section 11.2 Cure Upon Default

Should the Entity be in Default, the City shall send written notice to the Entity of the Default [Default Notice]. The Default Notice shall set forth with particularity the basis of the alleged Default. The Entity shall have thirty (30) days, from receipt of the Default Notice, to cure any Default which shall be the sole and exclusive remedy available to the Entity. However, if, in the reasonable opinion of the City, the Default cannot be cured within sixty (60) days using reasonable

diligence, the City will extend the time to cure.

Subsequent to such thirty (30) days, or any approved extension, the City shall have the right to terminate this Agreement in accordance with Section 12.1.

Should the Entity be in default due to a failure to pay any charges defined as Material Conditions in Section 4.7, or complete construction of an early childhood education facility as outlined in Section 4.8, the Entity shall not be subject to the default procedural remedies as provided herein but shall allow the City to proceed immediately to terminate the Agreement as provided in Article XII herein.

Section 11.3 Remedies Upon Default

The City shall, among its other remedies, have the right to proceed against the property pursuant to the In Rem Tax Foreclosure Act, N.J.S.A. 54:5-1, et seq. In order to secure the full and timely payment of the Annual Service Charge, the City on its own behalf, or on behalf of the Trustee, reserves the right to prosecute an In Rem Tax Foreclosure action against the Project Area in accordance with Applicable Law, as more fully set forth in this Financial Agreement.

In addition, the City may declare a Default and terminate this Agreement. Any default arising out of the Entity's failure to pay Land Taxes, the Minimum Annual Service Charge, Administrative Fees, Affordable Housing Contribution, or the Annual Service Charges shall not be subject to the default procedural remedies as provided herein, but shall allow the City to proceed immediately to terminate the Agreement as provided herein. All of the remedies provided in this Agreement to the City, and all rights and remedies granted to it by law and equity shall be cumulative and concurrent. No termination of any provision of this Agreement shall deprive the City of any of its remedies or actions against the Entity because of its failure to pay Land Taxes, the Minimum Annual Service Charge, Annual Service Charge, Affordable Housing Contribution or Administrative Fees. This right shall apply to arrearages that are due and owing at the time or which, under the terms hereof, would in the future become due as if there had been no termination. Further, the bringing of any action for Land Taxes, the Minimum Annual Service Charge, the Annual Service Charge, Affordable Housing Contribution, Administrative Fees, or for breach of covenant or the resort to any other remedy herein provided for the recovery of Land Taxes shall not be construed as a waiver of the rights to terminate the tax exemption or proceed with a tax sale or Tax Foreclosure action or any

other specified remedy.

In the event of a Default on the part of the Entity to pay any charges set forth in Article IV, the City among its other remedies, reserves the right to proceed against the Entity's land and property, in the manner provided by the In Rem Foreclosure Act, and any act supplementary or amendatory thereof. Whenever the word taxes appear, or is applied, directly or impliedly to mean taxes or municipal liens on land, such statutory provisions shall be read, as far as is pertinent to this Agreement, as if the charges were taxes or municipal liens on land.

ARTICLE XII- TERMINATION

Section 12.1 Termination Upon Default of the Entity

In the event the Entity fails to cure or remedy the Default within the time period provided in Section 11.2, the City may terminate this Agreement upon thirty (30) days written notice to the Entity [Notice of Termination].

Section 12.2 Voluntary Termination by the Entity

The Entity may notify the City that it will relinquish its status as a tax exempt Project, after the expiration of one year from the Substantial Completion of the Project, as of the January 1st of the year next ensuing. The Notice of Voluntary Termination must be received by the City no later than October 1st of the tax year preceding the calendar year in which the termination is to occur. As of the date so set, the tax exemption, the Annual Service Charges and the profit and dividend restrictions shall terminate. However, under no circumstances will the Entity be entitled to any refund, in whole or in part, of any funds paid to the City to obtain the tax exemption, including but not limited to the Affordable Housing Contribution. In addition, the due date for all Affordable Housing Contribution and any other fees that the Entity agreed to pay under this Agreement, shall be accelerated so that all fees to be paid shall be due on January 1st as a condition precedent of the voluntary termination.

Section 12.3 Final Accounting

Within ninety (90) days after the date of termination, whether by affirmative action of the Entity or by virtue of the provisions of the Law or pursuant to the terms of this Agreement, the Entity shall provide a final accounting and pay to the City the reserve, if any, pursuant to the provisions of N.J.S.A. 40A:20-13 and 15 as well as any remaining excess Net Profits. For purposes of rendering

a final accounting the termination of the Agreement shall be deemed to be the end of the fiscal year for the Entity.

Section 12.4 Conventional Taxes

Upon Termination or expiration of this Agreement, the tax exemption for the Project shall expire and the land and the Improvements thereon shall thereafter be assessed and conventionally taxed according to the general law applicable to other nonexempt taxable property in the City.

ARTICLE XIII - DISPUTE RESOLUTION

Section 13.1 Arbitration

In the event of a breach of the within Agreement by either of the parties hereto or a dispute arising between the parties in reference to the terms and provisions as set forth herein, either party may apply to the Superior Court of New Jersey by an appropriate proceeding, to settle and resolve the dispute in such fashion as will tend to accomplish the purposes of the Law. In the event the Superior Court shall not entertain jurisdiction, then the parties shall submit the dispute to the American Arbitration Association in New Jersey to be determined in accordance with its rules and regulations in such a fashion to accomplish the purpose of the Long Term Tax Exemption Law. The cost for the arbitration shall be borne by the Entity. The parties agree that the Entity may not file an action in Superior Court or with the Arbitration Association unless the Entity has first paid in full all charges defined in Section 4.7 as Material Conditions.

Section 13.2 Appeal of Assessment

In calculating the amount of the Staged Adjustments that is, taxes otherwise due, pursuant to Section 4.2 and N.J.S.A. 40A:20-12, either party may file an appeal of the conventional assessment to determine the value of land and improvements.

ARTICLE XIV - WAIVER

Section 14.1 Waiver

Nothing contained in this Financial Agreement or otherwise shall constitute a waiver or relinquishment by the City of any rights and remedies, including, without limitation, the right to terminate the Agreement and tax exemption for violation of any of the conditions provided herein. Nothing herein shall be deemed to limit the City's right to audit or recover any amount which the City has under law, in equity, or under any provision of this Agreement.

ARTICLE XV - INDEMNIFICATION

Section 15.1 Defined

It is understood and agreed that in the event the City shall be named as party defendant in any action by a third party alleging any breach, default or a violation of any of the provisions of this Agreement and/or the provisions of N.J.S.A. 40A:20-1 et seq., the Entity shall indemnify and hold the City harmless against any and all liability, loss, cost, expense (including reasonable attorneys' fees and costs), arising out of this Agreement. In addition, the Entity expressly waives all statutory or common law defenses or legal principles which would defeat the purposes of this indemnification. The Entity also agrees to defend the suit at its own expense. However, the City maintains the right to intervene as a party thereto, to which intervention the Entity consents; the expense thereof to be borne by the City.

ARTICLE XVI- NOTICE

Section 16.1 Certified Mail

Any notice required hereunder to be sent by either party to the other shall be sent by certified or registered mail, return receipt requested.

Section 16.2 Sent by City

When sent by the City to the Entity the notice shall be addressed to:

Senate Place Urban Renewal, LLC
30 Montgomery Street - 13th Floor
Jersey City, NJ 07302
Attn:

unless prior to giving of notice the Entity shall have notified the City in writing otherwise.

In addition, provided the City is sent a formal written notice in accordance with this Agreement, of the name and address of Entity's Mortgagee, the City agrees to provide such Mortgagee with a copy of any notice required to be sent to the Entity.

Section 16.3 Sent by Entity

When sent by the Entity to the City, it shall be addressed to:

City of Jersey City, Office of the City Clerk
City Hall
280 Grove Street
Jersey City, New Jersey 07302,

with copies sent to the Corporation Counsel, the Business Administrator, and the Tax Collector unless prior to the giving of notice, the City shall have notified the Entity otherwise. The notice to the City shall identify the Project to which it relates, (i.e., the Urban Renewal Entity and the Property's Block and Lot number).

ARTICLE XVII-SEVERABILITY

Section 17.1 Severability

If any term, covenant or condition of this Agreement or the Application, except a Material Condition, shall be judicially declared to be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and be enforced to the fullest extent permitted by law.

If a Material Condition shall be judicially declared to be invalid or unenforceable and provided the Entity is not in Default of this Agreement, the parties shall cooperate with each other to take the actions reasonably required to restore the Agreement in a manner contemplated by the parties and the Law. This shall include, but not be limited to the authorization and re-execution of this Agreement in a form reasonably drafted to effectuate the original intent of the parties and the Law. However, the City shall not be required to restore the Agreement if it would modify a Material Condition, the amount of the periodic adjustments or any other term of this Agreement which would result in any economic reduction or loss to the City.

ARTICLE XVIII - MISCELLANEOUS

Section 18.1 Construction

This Agreement shall be construed and enforced in accordance with the laws of the State of New Jersey, and without regard to or aid of any presumption or other rule requiring construction against the party drawing or causing this Agreement to be drawn since counsel for both the Entity and the City have combined in their review and approval of same.

Section 18.2 Conflicts

The parties agree that in the event of a conflict between the Application and the language contained in the Agreement, the Agreement shall govern and prevail. In the event of conflict

between the Agreement and the Law, the Law shall govern and prevail.

Section 18.3 Oral Representations

There have been no oral representations made by either of the parties hereto which are not contained in this Agreement. This Agreement, the Ordinance authorizing the Agreement, and the Application constitute the entire Agreement between the parties and there shall be no modifications thereto other than by a written instrument approved and executed by both parties and delivered to each party.

Section 18.4 Entire Document

This Agreement and all conditions in the Ordinance of the Municipal Council approving this Agreement are incorporated in this Agreement and made a part hereof.

Section 18.5 Good Faith

In their dealings with each other, utmost good faith is required from the Entity and the City.

ARTICLE XIX - EXHIBITS

Section 19 Exhibits

The following Exhibits are attached hereto and incorporated herein as if set forth at length herein:

1. Metes and Bounds description of the Project;
2. Ordinance of the City authorizing the execution of this Agreement;
3. The Application with Exhibits;
4. Certificate of the Entity;
5. Estimated Construction Schedule;
6. The Financial Plan for the undertaking of the Project;
7. Good Faith Estimate of Initial [Rents or Sales Prices];
8. Project Employment and Contracting Agreement;
9. Architect's Certification of Actual Construction Costs.
10. Entity's Deed.

IN WITNESS WHEREOF, the parties have caused these presents to be executed the day and year first above written.

WITNESS:

SENATE PLACE URBAN RENEWAL, LLC

ATTEST:

CITY OF JERSEY CITY

ROBERT BYRNE
CITY CLERK

ROBERT KAKOLESKI
ACTING BUSINESS ADMINISTRATOR